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Bosnia-Hercegovina

President Alija Izetbegovic, speaking during a news conference, said that Sarajevo "would be unblocked soon," TANJUG reports. He reported that "the main course of a military operation is being carefully prepared," and noted that the operation "would be carried out unless a political solution is found soon."

Yugoslavia

Federal—Referring to the joint declaration signed by President Dobrica Cosic and Croatian President Franjo Tudjman in Geneva, Cedric Thornberry, deputy UNPROFOR commander, stated that the "insanity was slowly subsiding in relations between Yugoslavia and Croatia." Thornberry added that demilitarization and cease-fire "were necessary" before additional UNPROFOR troops arrive in Bosnia-Hercegovina, TANJUG reports. Montenegrin President Momir Bulatiovic gave his view of the declaration, noting that it "enables arms to fall silent and diplomacy to speak." He added: "It paves the way for concrete solutions to be found through further negotiations, solutions which will enable peace to return to this soil and which will put into focus realistic political interests and diplomatic activities leading to a just and comprehensive delineation between" the FRY and Croatia.

Albania

The People's Assembly issued a statement on the "illegal" detention of Anton Kola, deputy chairman of the Democratic League of Kosovo, and Edit Tahiri, member of the league's Presidency, by Serbian police, ATA reports. The statement said that Serb authorities had "no grounds" to arrest Kola and Tahiri, noting: "Such a brutal act, fully in opposition to the immunity and status of the deputy, of the legitimate representatives of the people of Kosovo...is among others a flagrant case of the violation of human rights, the CSCE principles and norms, and other juridical international acts." It concluded: "The People's Assembly of the Republic of Albania expresses its profound embarrassment over such acts, the tense and grave situation prevailing in Kosovo, and the tragic events it may bring about."

Czechoslovakia

The Czechoslovak National Assembly rejected the government draft law on ways of ending the federation, CSTK reports. Out of 150 possible votes in the House of the People, 89 deputies supported the bill; 90 votes were needed to approve the bill. In the House of Nations, where the Czech and the Slovak Republics each hold 75 seats, the Czech and Slovak blocs each registered 42 votes in support of the draft law.

Romania

In response to a U.S. Congress vote denying Romania most favored nation status, Bucharest radio reports that the Foreign Ministry issued a statement saying: "This vote reflects a regrettable and unjustified discrimination toward Romania on the part of the U.S. Congress relative to the other countries going through the transition process, which not only has a negative impact on Romanian-American trade relations, but may also have serious political implications for the democratization process and economic reform in Romania." The negative vote was "the result of a new move by the anti-Romanian lobby in the United States," stated President Ion Iliescu, adding that it "causes bitterness because it offers no support for the political forces in Romania." Iliescu also "expressed the hope that this does not represent the last word by the United States" on this issue.

'Text' of Cosic-Tudjman Geneva Declaration

LD0110193792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1526 GMT 1 Oct 92

["Text" of joint declaration signed in Geneva on 30 September by Yugoslav President Dobrica Cosic and Croatian President Franjo Tudjman]

[Text] Geneva, 1 Oct (TANJUG)—We are publishing the text of the joint declaration that Dobrica Cosic, FRY president, and Franjo Tudjman, president of the Republic of Croatia, signed in Geneva last night.

Having met in Geneva under the patronage of the cochairmen of the international conference on former Yugoslavia, the undersigned presidents wish to declare the following:

1. The two presidents have re-endorsed the obligations undertaken at the London international conference regarding the inviolability of existing borders, apart from changes reached through peaceful agreements, and have agreed to intensify the work aimed at normalizing relations between the FRY and the Republic of Croatia on the basis of mutual recognition. All issues regarding succession in former Yugoslavia will be resolved within the framework of the international conference or, if appropriate, bilaterally.

2. Bodies of the Republic of Croatia and the FRY—in close cooperation with the United Nations Protection Force [UNPROFOR]—will undertake urgent, joint measures to secure the peaceful return of all displaced people who want to go back to their homes in zones under UN protection. To this end, they have proposed establishment of a quadripartite mechanism comprising bodies of the Croatian Government, representatives of local Serbs, and representatives of the UNPROFOR and the UN High Commission for Refugees to ensure that this process continues. Likewise, the Serbian and Croatian people who previously lived on the territory of the Republic of Croatia and the FRY should have the right to return to their homes peacefully. An agreement has been reached on resolute action regarding the return of displaced people to their homes, and on allowing people to migrate, voluntarily and humanely, from one state to another.

3. The two presidents agree that the Yugoslav Army will leave Prevlaka by 20 October, in line with the Vance plan. Security in this area will be reached through demilitarization and the placement of UN observers. The issue of general security in Boka Kotorska Bay and in Dubrovnik will be resolved through further negotiations.

4. The two presidents have agreed to set up a mixed interstate committee to examine all open questions and to normalize relations between the sovereign Republic of Croatia and the FRY. With the aim of reestablishing permanent peace as soon as possible, particular attention will be devoted to the normalization of communications and economic ties.

5. The two presidents confirm their conviction that all problems between the two states must be solved peacefully. They pledge to invest every effort to achieve this aim. In this respect, they will use all their influence to reach a just and peaceful solution of the present crisis affecting Bosnia-Hercegovina.

6. The two presidents strongly condemn all actions in connection with "ethnic cleansing," and pledge that they will help restore the previous situation. They also declare that all statements given and obligations assumed under duress, particularly those related to land and property, are totally null and void. They are calling on all parties to immediately and unconditionally cooperate fully in current efforts—particularly those of the International Committee of the Red Cross—to free all POW's, to close down all POW centers, and to secure the safe passage of former POW's to safe and secure zones. They further call on all parties to facilitate the safe delivery of all humanitarian aid.

7. The two presidents welcome the earliest possible deployment of international observers at airports in their countries as a confidence-building measure.

8. The two presidents have agreed to meet again with the cochairmen on 20 October. They express gratitude to the cochairmen for convening today's meeting.

Assembly Protests Arrest of Kosovo Leaders

AU0110222892 Tirana ATA in English 1908 GMT 1 Oct 92

["Statement of the People's Assembly of the Republic of Albania Regarding the Recent Brutal Act of Serbian Police Authorities"—ATA headline]

[Text] Tirana, October 1 (ATA)—The People's Assembly of the Republic of Albania got to know that recently Serb police authorities detained illegally and on no grounds two deputies of the Assembly of Kosovo, respectively the deputy chairman of the Democratic League of Kosovo, Anton Kola, and the member of the Presidency of this league, Edit Tahiri. They were going home together with other Albanian activists of the Democratic League of Kosovo after the meeting of the Peace Forum of the Democratic Union of Europe held in Verona of Italy.

Such a brutal act, fully in opposition to the immunity and status of the deputy, of the legitimate representatives of the people of Kosovo elected by them by means of fair and free elections, is among others a flagrant case of the violation of human rights, the CSCE principles and norms, and other juridical international acts. This is an open challenge and a proof of the stubbornness of the Serb leadership to neglect the constant endeavours of the international community, the UNO [UN organization], CSCE, London conference for finding an acceptable and peaceful solution for the peoples of ex-Yugoslavia, the Albanian one included.

The People's Assembly of the Republic of Albania expresses its profound embarrassment over such acts, the tense and grave situation prevailing in Kosovo, and the tragic events it may bring about.

The People's Assembly of the Republic of Kosovo unanimously denounces these acts and express its powerful support for the endeavours of international organisms and various states in order to establish peace and apply the free will of the peoples, including the Albanian one in this part of ex-Yugoslavia.

This statement will be made known to the Parliamentary Assembly of the European Council and European Parliament.

Meksi, U.S. Senators Discuss Economic Support

AU0110190192 Tirana ATA in English 0900 GMT 1 Oct 92

[Text] Tirana, October 1 (ATA)—Over his stay in the United States, the premier of the Republic of Albania, Aleksander Meksi, had a series of meetings in Washington with high personalities of the International Development Bank, the World Bank, with state personalities, and with the Senators Edward Kennedy, Dennis DeConcini, [Alfonse] D'Amato.

During these meetings Mr. Meksi made an expose of the political and economic situation in Albania. He spoke in particular of the application of the economic reform on a broad plane and the need of support for Albania in these period of transition towards the market economy.

According to a report by the radio-television reporter, who is with Premier Meksi in this visit, during the talks the interlocutors evaluated [words indistinct] in the road of reformation of the economic support with assistance for social groups affected by the crisis.

They talked particularly on the situation in the region, the crisis in former Yugoslavia, and especially in Kosovo.

All were of the same opinion with regard to the threat in the region and the actual Albanian policy of the Democratic Party was evaluated, the reporter Aferdita Sokoli informed.

Berisha, EC's Langer Discuss Cooperation

AU0210090092 Tirana ATA in English 1904 GMT 1 Oct 92

[Text] Tirana, October 1 (ATA)—President Berisha received on October 1 the European Community delegation headed by Mr. De Langer, senior official of the European Community Commission in Brussels, that has come to Albania to analyse the further cooperation between Albania and European Community. President Berisha expressed his profound gratitude for the new donation in value of $94 million the European Community offered Albania these days. He also briefed the guest on the development of the reform in Albania and the political situation. It is something positive, said President Berisha, that generally the Albanians are well supporting the reform despite the great difficulties. The government is trying to initiate privatization on broad scale in agriculture, industry, transport. In this direction we would also need the technical assistance of the European Community.

Mr. De Langer assured President Berisha that the European Community highly appreciates the courage and determination of the democratic government to follow the road of the reform. The initial achievements are encouraging for cooperation. He also stressed that the community is drafting projects to find out fresh opportunities to support Albania in its reform.

Police Make Efforts To Prevent Border Smuggling

AU0110190092 Tirana ATA in English 1132 GMT 1 Oct 92

[Text] Tirana, October 1 (ATA)—Albania, neighbour with former Yugoslavia and Greece, is now confronted with complex border problems.

Dishonest persons, in collaboration with Yugoslav citizens, try to engage in smuggling, mainly with fuels in former Yugoslavia, which is suffering the sanctions

imposed by the international community due to the bloodshed in Bosnia-Hercegovina. Eager for profits, elements, whom the financial police shadows and do not allow to exercise unlawful activities, ignore the peremptory stands of the international community, including here also those of Albania.

Realizing the importance of the problem, the financial police has intensified the controls and through successful operations have paralysed this activity which is unlawful and with consequences. A spokesman of the financial police reported over Radio Tirana of the latest occasion the detection of three citizens who, through the Lake of Shkoder, tried to carry some oil barrels away to Montenegro.

The problems in the border with Greece are less complex: The most general one is the exodus of cattle. Profiting from differences in prices, the Albanian peasants prefer to sell their cattle to the illegal merchants in Greece. The price ratio of meat is one to five.

The operations are often successful but there is still more to be done to avoid this cattle exodus, the spokesman of the financial police said, pointing to the case of detecting 60 cattle heads in the border of Kolonje, south Albania.

Minister 'Optimistic' About Yugoslav Crisis

AU0110184092 Tirana ATA in English 1124 GMT 1 Oct 92

[Text] Tirana, October (ATA)—The deputy foreign minister, Arjan Starova, stressed in an interview that he is optimistic of the future. I am sure that the process of European integration will have a powerful effect in overcoming the Yugoslav crisis, he said. The observers sent in Serbia and neighboring states, will create conditions to prevent the further spread of military conflict in Kosovo and elsewhere.

The CSCE and European Community presence in solving the problems ex-Yugoslavia is facing currently will contribute however little to the mentality of the people of this region, said Mr. Starova. They will realize who really instigates chauvinism and will depart from him. If the road is barred to chauvinism in ex-Yugoslavia, the Kosovo issue is naturally solved, by recognizing the Republic of Kosova. This would be the future that belongs to Kosovo, which will create conditions for its integration with Albania. I believe this integration will be dually natural: as product of European integration and as liquidation of historical injustice of Albania's artificial division in 1913.

The allies of the future for Albania, said the deputy foreign minister, will lose the classic meaning of this word. In case a possible Balkan war may be avoided, soon the European states will be allies amongst them and preferences would not be reflected in the form of alliances .

As for the relation between the Albanian diplomacy and the European one, he said that it would take us a long time to reach the level of the European diplomacy. But we have attained something since now. It seems we are normally passing the first test of open contacts with the European diplomacy by means of an intensive activity.

Assembly Lifts Immunity of Deputy Hajdari

AU2909192092 Tirana ATA in English 1108 GMT 29 Sep 92

[Text] Tirana, September 29 (ATA)—On September 29 in the afternoon, the People's Assembly adopted the working program of the Assembly for this week. Then, the decrees of the president of the Republic were passed, on some supplements in the decree on the Albanian nationality, remission of credits for agricultural cooperatives, and validation of the decree on defining the years at work through judicial ways.

Then the Assembly examined the request for lifting of the immunity of the Deputy Azem Hajdari. In this regard, the Deputy Sadedin Balla, chairman of the Commission of Mandates, read out the report in the name of this commission. It said that the General Attorney's Office has officially declared for the penal prosecution of the Deputy Azem Hajdari, since in his address there is an indictment in the court accusing him of offence and beating. Mr. Balla said that by majority of votes the commission decided that this deputy be lifted of this immunity.

Then the Deputy Azem Hajdari took the floor. He voiced his stand on this matter. After many discussions, the question was voted secretly. From 103 deputies present, 54 were for the lifting of the immunity, 43 were against, and 3 abstained. Three votes were invalid. So, the Deputy Azem Hajdari is lifted his immunity.

The Assembly will continue its proceedings on September 29, in the afternoon.

EC Observers Arrive To Monitor Border Situation

AU0110222592 Sofia BTA in English 1943 GMT 1 Oct 92

[Text] Sofia, October 1 (BTA)—The first group of observers of the European Community, who will monitor Bulgaria's western border, arrived at the Kalotina checkpoint today.

Their task is to monitor the military and the civil situation in the Bulgarian western-border regions and to report about any activities that signal a possible expansion of the conflict in former Yugoslavia. According to the agreement signed by the Bulgarian Government and the British ambassador in Sofia, Mr. Richard Thomas, who initialed it on behalf of the European Community, the observers will monitor a 30-kilometer corridor along Bulgaria's entire western border.

The chief of the mission, Colonel Bruno Laurentine from France, arrived with the first group of observers. On the border the observers were met by Deputy Minister of Foreign Affairs Dimitur Tsanev and British Ambassador in Sofia Richard Thomas.

The chief of the mission expressed his hope that the first observers would start their deployment along the western border in two weeks' time. The sending of EC observers to the border between Bulgaria and its western neighbour should be considered as the first tangible step of the EC for the settlement of the conflict in former Yugoslavia, deputy minister Dimitur Tsanev said.

International Trade Union Leaders Assess Visit

AU0110205192 Sofia BTA in English 1906 GMT 1 Oct 92

[Text] Sofia, October 1 (BTA)—"We hope that the dialogue between the trade unions and the government in Bulgaria will be resumed, otherwise we are obliged to signal the international community and complain to the European Community in connection with Bulgaria's prospective EC membership," Mr. Enzo Friso, president of the International Confederation of Free Trade Unions, told a news conference here today.

Mr. Friso and Mr. Emilio Gabalo, secretary general of the European Trade Union Confederation, arrived in Bulgaria yesterday at the invitation of the two influential trade union amalgamations, the Podkrepa Labor Confederation and the Confederation of Independent Trade Unions in Bulgaria. In their words, they were brought to Bulgaria by alarm over the lack of dialogue between the trade unions and the government. They blame the government for this and say it should make the first move in the interest of the working people and of the entire country. Bulgaria is seeking integration into Europe but the EC is a social as well as economic structure and Bulgaria should meet European standards in this area, Mr. Gabalo said. According to the two international trade unionists, Bulgarian labour legislation does not satisfy these requirements in its part concerning the freedom of association and workers' trade union rights. In their view, the Labor Code amendments under consideration are not enough.

The two trade union leaders today met with President Zhelyu Zhelev and Prime Minister Filip Dimitrov. At both meetings they expressed a wish for a resumption of the dialogue between the government and the trade unions.

Zhelev Explains Reasons for SDS Conflict

AU0110200892 Sofia BTA in English 1849 GMT 1 Oct 92

[Text] Sofia, October 1 (BTA)—The fact that the powers of the separate state institutions are not clearly defined in the Constitution is one of the major reasons for the frictions, the differences between the president and the cabinet, Bulgarian President Zhelyu Zhelev said in a one-hour interview on Radio Free Europe. According to Dr. Zhelev, this is inevitable because at the moment a process of synchronization of the activities of the separate institutions is going on.

"A downright intrigue," the president said commenting on the latest allegations that he wanted to arrange the overthrow of the cabinet during the transport strike in July.

The president repeated his position stressing the necessity of national concord and of gaining broader support for the ruling coalition of the Union of Democratic Forces [SDS] and its government. Dr. Zhelev, former leader of the SDS, repeated his criticism of the ruling coalition saying it had isolated itself. It needs the support of both the Bulgarian Parliament in which it does not command an absolute majority and of the extraparliamentary democratic forces, the president said.

I have never been hostile when speaking about the government, I even sympathize with it as it is the government of transition, Dr. Zhelev said.

In reply to the question about his attitude to the Bulgarian Socialist, formerly communist, Party [BSP], the president said that there are already signs of change in the BSP, but it has a long way to go before becoming a socialist party of the Western type.

Minister Appeals To Zhelev To 'Return' to SDS

AU0110135792 Sofia DEMOKRATSIYA in Bulgarian 26 Sep 92 p 1

[Commentary by Justice Minister Svetoslav Luchnikov: "What I Would Say to the President"]

[Text] I do not know whether any dialogue between the president and the contact group of the Union of Democratic Forces [SDS], of which I am a member, will take place. Therefore, in the spirit of glasnost that the president likes so much, I am taking the liberty of putting my questions publicly to him.

1. Mr. President, you have said that you adhere to rapid and radical reform, a rapid and irreversible transition toward the market economy, returning the land, restitution, and privatization. You reproach us with some justification that occasionally we are sluggish and indecisive. I agree with you. However, why did you not condemn with so much as one word the resistance of the Bulgarian Socialist Party [BSP] to reform? What about its subversion while legislation was being passed at the National Assembly? What about their propaganda under the slogan "the months of this government are numbered?"

2. Mr. President, you have accused us of declaring war on the trade unions. Perhaps you got the subject and the object of the sentence the wrong way around! I do not think that the government has always been beyond reproach. However, have the trade unions always been beyond reproach?! Why did you not admonish them when they initiated the strike of the oil processing industry workers, whose monthly wage is almost 6,000 leva? Why did you not expose them when they encouraged the miners to send their wives and children to the poisonous galleries in order to continue a production that annually inflicts losses to the tune of hundreds of millions? Why did you not condemn them when they incited the transportation workers to paralyze the traffic in Sofia? Why did you not caution them when they decided to replace directors and topple ministers? Are those the legal actions of democratic trade unions?

3. Mr. President, you have reproached the SDS, saying that it has turned its back on other democratic and noncommunist forces in the country. However, why did you not reproach them when they signed this unworthy constitution—a result of an unscrupulous compromise—that was aimed at making the country ungovernable, and almost succeeded in accomplishing this? Do you not see this yourself against the background of your curbed prerogatives? Why did you not unmask them when they decided to participate independently in the elections, thus wasting more than one million anticommunist votes and depriving Bulgarian democracy of a stable majority in parliament? Why did you not advise them after 13 October to cooperate with the first noncommunist government? Why did you not stop them when they started to insult and slander this government from the pages of Prodev's DUMA and that phalanx of reddish and yellowish papers with the smell of hydrogen sulfide?

4. Mr. President, you saw fit to accuse the SDS and its government of the gravest crime—attempting to impose a dictatorship. You know very well that there is not and cannot be any grounds for this. However, permit me to ask you why you are striving so stubbornly to place the entire Armed Forces, the National Security Service, the National Protection Service, the National Intelligence Service, and recently, the National Police, under your direct control, and all this in peacetime? Have you not seen the results of such a close cooperation between civilian commanders and generals in Belgrade?

5. Have you forgotten that in the Moscow coup of August 1991 you deplored the fact that the Armed Forces and the KGB were on one side of the barricades, and the people on the other? Then the people won, Mr. President, because people who have once had the courage to overthrow a tyranny, always prevail! On 22 September a people like this spontaneously showed you which side they are on! Do you not understand what this means?

Mr. Zhelev, I have always respected and admired you when you redeem your Komsomol past with your uncompromising and bold struggle against totalitarianism. I therefore take the liberty of appealing to you: "Return to the people! Return to those who elected you! Return to your kin because if you do not, you will wither miserably in the dusty gallery of degenerate politicians such as Dr. Dertliev, Petko Simeonov, and Aleksandur Karakachanov.

"Return, Mr. Zhelev! Return for the salvation of Bulgaria and your own political future!"

Zhelev Aide Accused of July Mobilization Attempt

AU2809201292 Sofia BTA in English 1900 GMT 28 Sep 92

[Text] Sofia, September 28 (BTA)—The Council of Ministers' Press Office today confirmed the truth of some of the allegations against President Zhelyu Zhelev in today's RANNO UTRO, a daily notorious for its scandalous unverified reports.

RANNO UTRO is a private daily of a small circulation, which is difficult to find in Sofia. Recently it has been publishing articles discrediting the president and staff members of his office.

In a publication headlined "President Arranges Cabinet's Overthrow," the daily says that during the strike which paralysed Sofia's transport in July, President Zhelev through the chief of his office, Aleksey Alekseev, tried to force the Chief of the Bulgarian General Staff to order general mobilization so as to destabilize the situation in this country. According to RANNO UTRO, Alekseev saw general mobilization as a ploy to have the cabinet accused of "pitting the Army against the strikers." The newspaper claims this would have caused strong discontent and the cabinet would have collapsed, which was exactly what the president wanted. At that time a mobilization could be justified by the situation in the former Yugoslavia and statements that its Air Force might raid sites (that is, nuclear power stations) in the neighbouring countries.

President Zhelev sharply criticized the cabinet and its economic policy at a news conference in late August. He said that in his view, the cabinet had declared war on all forces in Bulgaria. In his latest statement yesterday, however, Dr. Zhelev said the cabinet's policy had caused partial confrontation but denied there was a war. Zhelyu Zhelev was severely criticized by the ruling Union of

Democratic Forces, on whose ballot paper he was elected president, at its political conference on September 18-20. He walked out in protest against the attack on him and was hooted by people in the street, who shouted "resignation" and "traitor," meaning that he was connected with the Communists.

The press release of the Council of Ministers' Press Office says that part of the allegations in RANNO UTRO are true but "they do not give enough grounds to believe that President Zhelev was behind the actions of the chief of his office, Aleksey Alekseev." The press release does not specify which statements are true.

RANNO UTRO says that Alekseev "called the Chief of the Bulgarian General Staff and ordered him to declare general mobilization," quoting a report that NATO and the Western European Union would make a landing in Yugoslavia.

In an interview on National Radio this evening Major General Kiril Radev, the prime minister's military adviser, said that thanks to "the decisive actions of the Chief of the General Staff and the prime minister" mobilization was not ordered. It might have had very serious consequences at that time, General Radev said. He did not commit himself to a statement as to how much the president had known about Aleksey Alekseev's actions.

Prime Minister Explains Allegations

AU2909112992 Sofia Khorizont Radio Network in Bulgarian 0700 GMT 29 Sep 92

[Telephone interview with Prime Minister Filip Dimitrov by unidentified announcer—live]

[Text] [Announcer] Before we start our regular newscast, let us establish telephone contact with the Prime Minister's office, at Mr. Filip Dimitrov's own request. Good morning Mr. Dimitrov.

[Dimitrov] Good morning, the request for the interview was actually yours, but I am ready to answer your questions.

[Announcer] It was perhaps a misunderstanding between me and our reporter; I would like to apologize to you. As a matter of fact, we were trying to clarify the rumor about the president's office being involved in attempts to overthrow the government, and so forth. Newspaper readers have been informed about the facts, but it would be better to hear your opinion on the matter.

[Dimitrov] You are talking about the terminology of a Sofia paper, rather than the terminology of the Council of Ministers.

[Announcer] Two Sofia newspapers are actually involved. I am talking about RANNO UTRO and 24 CHASA.

[Dimitrov] Yes, yesterday the Council of Ministers said that some of the facts cited in the relevant article are true, but this does not justify the claim that the president was really behind the notorious actions.

[Announcer] In connection with the forged facts that are mentioned in the....

[Dimitrov, interrupting] On that day in July 1992, at the height of the Sofia transport strike, which was a day full of tension for all of us, as you may remember, I was informed in a rather informal way, which was not exactly in accordance with legal procedure, about the need to adopt measures in the event of threats against the Kozloduy Nuclear Power Plant because of the possibility.... and so forth. The meaning of all this was that a safety plan had to be put into operation, including general mobilization measures. You can imagine the results of all this, considering that military buses were driving Sofia citizens at that moment and considering the possibility that someone might have taken advantage of all this for an attack against the government while the strike was underway, namely in a situation in which it could have been insinuated that we might use the Armed Forces against the strikers. This did not happen thanks to the exceptionally reasonable and prompt reaction of Chief of Staff General Petrov, a military official whom I highly respect. The danger was averted and the plan was only partially put into operation.

On the evening of the same day, I summoned both General Petrov and other officials responsible for operations in similar cases. I also summoned the representatives of the National Electricity Company. I must admit that I was furious, and we had a rather long talk. I think that everyone realized what a monstrous hoax, or perhaps what a tremendous provocation we were confronted with. As I have already said, there is no evidence at all to confirm that the president was informed on this matter. I do not know whether he was around at that moment, I only talked to his adviser Mr. Aleksey Alekseev, who subsequently explained his behavior by having falsely assessed the situation.

[Announcer] As a matter of fact, who is the author of this hoax, who is supposed to have fabricated the whole story that prompted such suspicions, either as a mere nonsense, or as a provocation?

[Dimitrov] The source of the whole story was an employee of the National Electricity Company who has been dismissed, naturally, as is appropriate, although with some delay, as I subsequently learned.

Nevertheless, the spreading of such information is likely to have serious consequences provoking reaction at the relevant level. The misuse of any highly placed person's office for disseminating such information is prompted either by the desire to invent a great hoax, or, by the intention of staging a gross provocation, as I already pointed out.

[Announcer] Which of the two is it in your opinion?

[Dimitrov] I do not exclude the possibility that it might be a monstrous hoax.

[Announcer] Thank you for the information, Mr. Dimitrov. As a matter of fact, our listeners need to be briefed on the facts because such things sound very frightening sometimes. It is necessary to clarify them.

[Dimitrov] You understand perfectly that if such things would have come true, they would have involved very unpleasant consequences, and it would have been useless to explain who intended to do what, and what results he would have achieved. Let alone that we might not have had the opportunity of explaining anything. My reaction to the facts was very prompt because in the current circumstances many things are coming out of the archives and are being used to obtain the opposite effect of their original purpose. Considering that I have acquired a certain experience with similar actions, I think that complete clarity and openness in this respect are called for.

[Announcer] Nevertheless, was the reaction of the government not somewhat delayed?

[Dimitrov] You understand perfectly that the government was not very keen on digging about in this affair.

[Announcer] RANNO UTRO was presumably the reason that prompted your reaction?

[Dimitrov] In dealing with this subject, I am convinced that things should be totally clarified.

[Announcer] Thank you for your explanation, and I wish you a pleasant day.

[Dimitrov] Thank you.

Further Details of Alleged Plot

AU2909211092 Sofia BTA in English 1848 GMT 29 Sep 92

[Text] Sofia, September 29 (BTA)—According to a publication in yesterday's RANNO UTRO, at the time of the strike which paralyzed Sofia's transport in July President Zhelyu Zhelev arranged the overthrow of the cabinet. It is alleged that Mr. Aleksey Alekseev, chief of the office of the president, wanted to order general mobilization so as to destabilize the situation in the country.

The Council of Ministers' Press Office declared that part of the allegations (without specifying which) are true but they do not give enough ground to believe that the president was behind the actions of the chief of his office.

In an interview on radio today Prime Minister Filip Dimitrov said that in most probability a "security plan including mobilization measures, was to be put into operation through Mr. Aleksey Alekseev during the transport strike. The reason for it was said to be a threat against the nuclear power plant at Kozloduy which had been announced in a fax of the National Electricity Company. According to Mr. Filip Dimitrov, had the plan been carried out, no doubt it would have been used to attack the cabinet. People then would have thought the cabinet wanted to pit the Army against the strikers. The prime minister said that the plan was put into operation only partially "thanks to the wise and prompt reaction" of General Lyuben Petrov, chief of the General Staff of the Army.

Interviewed by a BTA reporter today, Mr. Konstantin Mishev, personal adviser to the prime minister, said he is fed up with being blamed for "all follies of the president's employees." When the strike was at its height Mr. Aleksey Alekseev rang Prime Minister Filip Dimitrov twice to tell him he had trustworthy information in his possession that very shortly, within two days' time, a military operation was to be launched by the forces of NATO or the Western European Union in the territory of former Yugoslavia, Mr. Mishev said. A meeting was even urgently held which was attended by the chief of the General Staff of the Army, the chief of the Civil Defence and the prime minister's military adviser.

Talking to the BTA reporter, Mr. Aleksey Alekseev, chief of the office of the president, repeated several times that the allegations that the president had ployed for the cabinet's overthrow during the transport strike are nonsense.

Interior Minister's Resignation Urged

AU0110151992 Sofia DUMA in Bulgarian 29 Sep 92 p 8

[Stefan Prodev untitled article under rubric: "Here We Are Again"]

[Text] It is time for Mr. Sokolov to resign, not because he is inefficient as a minister, but because he is violating basic principles of democracy. According to the articles of the Constitution, Bulgaria's chief policeman is not supposed to get involved in any political activities. He is just a policeman and it is his obligation to avoid contact with any political forces whatsoever in his work. In this respect the chief of the Ministry of Internal Affairs should not differentiate himself from his civil servants and petty officers, whose activities were depoliticized on the basis of a special law, as you know.

Unfortunately, the policeman Sokolov is a dyed-in-the-wool Union of Democratic Forces [SDS] champion. He not only openly admits his political affiliation, but publicly advertises it on every occasion. The depoliticized minister eagerly participates in all the secret and public activities of the SDS (Movement). He openly participated in the political conference of the dark blue [extreme rightwing] coalition, and he attends rallies large and small demanding the president's resignation and inciting mob passions. He is contributing to the establishment of a political police, he is recruiting new informers, police files are disappearing from the departments, and a war between the intelligence services is being deliberately incited, with the aim of guaranteeing

the domination of the SDS Coordinating Council over all the national security agencies. In addition to this, Sokolov is constantly shown on television making the V-sign of the SDS, thus openly demonstrating his political affiliations before the entire population.

Such facts alone are sufficient for anyone to understand that Minister Sokolov is grossly violating the Depoliticization Act as applied to the Ministry of Internal Affairs. This law that affects even the most ordinary police sergeant and the lowliest typist at the Ministry of Internal Affairs, does not touch "His Grace." This, however, is worse than a common public scandal. One of the most powerful cabinet members, who oversees a large administrative and armed body, of all people, is grossly violating the Constitution and one of the basic laws of democracy. The minister who is supposed to combat crime and to prosecute the violators of law and order lacks the most elementary civic conscience and sense of duty. Such an individual, to be precise, is trying to convince us that he is the champion of law and order in our country, that he is the servant of the nation, and that he is not involved in political games. Blessed are those who have faith, but their number is increasingly dwindling.

Mr. Sokolov's anticonstitutional behavior is an eye-sore for our society. It clearly demonstrates that the SDS coalition is increasingly becoming a state within the state and that Article One of the old, totalitarian Constitution [about the supremacy of the Communist Party] is being revived. I do not know what the depoliticized policemen are thinking, but I am convinced that they are embarrassed by their minister's outspoken SDS affiliations. It is not only provocative, but also offensive to them. Therefore, for the sake of morality and justice, the gentleman should resign. He could find some more appropriate field of activity within the SDS (Movement). Protecting SDS party headquarters on 134 Rakovski Street, for example, or some other "dark blue" institution, would be more becoming for him than protecting multicolored Bulgaria.

Kostov Views Trade Union Talks, Wages Demands

AU0110150292 Sofia BTA in English 1136 GMT 1 Oct 92

[Text] Sofia, October 1 (BTA)—The National Social Partnership Council should continue its work, Finance Minister Ivan Kostov told journalists today before the session of the Council of Ministers.

The finance minister did not attend yesterday's meeting of the council—at which it was virtually dissolved—because he believed that it would be at expert level and that the leaders of the trade unions Krustyu Petkov and Konstantin Trenchev would not be present. At one of the council's next meetings I will set forth positions which are coordinated with the government and not my own, regardless of the fact that I am viewed as an opponent to the demands of the trade unions, Finance Minister Kostov said. Yesterday the trade unions leveled severe criticism at the government and the Ministry of Finance in connection with the low salaries of the Bulgarian teachers and medical workers.

Decree No. 133 of the Council of Ministers refers precisely to those clauses of the Budget Act and the Local Government Act under which the municipalities are responsible for financing two-thirds of the expenditures of the educational and health establishments, the finance minister said. By August 31 the unpaid claims in this field amounted to 77 million leva, which according to Mr. Kostov, is ten-fold smaller than the actual financial potentials of the municipalities. The conflict lies in the wish of some municipalities to postpone the payments under the pretext that the teachers did not work in July and August and that their salaries cannot be raised, Mr. Kostov believes.

In order to ease social tension the government has decided to remit the subsidies for the municipalities ahead of schedule with the stipulation that the funds will be used for these purposes.

Bill To End Federation 'Rejected' by Assembly

LD0110163292 Prague CSTK in English 1442 GMT 1 Oct 92

[Text] Prague Oct 1 (CSTK)—Czechoslovak parliament today rejected the government draft law on ways of ending the Czechoslovak federation.

The draft was rejected in both the House of the People and the House of Nations.

In the 150-seat House of the People, where 90 votes were necessary for the bill's approval, 89 of the 146 deputies present supported it, with 47 against and 10 abstaining from voting.

In the House of Nations, where the Czech and the Slovak Republics are represented proportionately each holding 75 seats, the Czech part showed 42 votes for and 26 against the bill. Two of the 70 deputies present abstained from voting. In the Slovak part, out of the 70 deputies present 42 supported the draft, 19 were against it, eight abstained from voting and one ignored it. In both parts of the House of Nations, 45 votes each were necessary for the bill to be passed.

Under Czechoslovak law, if a bill is passed in neither of the two houses, it must not be submitted to the parliament in the same form for at least one year.

According to a computer record, the draft law on ways of ending the Czechoslovak federation was rejected by deputies from the Democratic Left Party (SDL), the Christian Democratic Movement (KDH), Egyutteles, Left Bloc (the coalition of the Communist Party of Bohemia and Moravia, KSCM, and the Democratic Left, DL), the Czechoslovak Social Democratic Party (CSSD) and the Assembly for the Republic-Czechoslovak Republican Party (SPR-RSC).

Only one deputy from the Liberal Social Union (LSU) and one from the Slovak Social Democratic Party (SDSS) supported the draft.

The government draft law was backed by deputies from the Czech Government coalition parties represented in the Federal parliament—the Civic Democratic Party (ODS), the Christian Democratic Party (KDS), the Christian Democratic Union-Czechoslovak People's Party (KDU-CSL), and from the Slovak Government party—the Movement for a Democratic Slovakia (HZDS), and from the Slovak National Party (SNS).

The parties from the Czech and the Slovak Government coalitions represented in the Federal parliament, together with the SNS which is a strong supporter of Czechoslovakia's split, hold altogether 85 seats in each the House of the People and the House of Nations.

These parties back the idea of Czechoslovakia's division into two independent republics—Czech and Slovak - as of January 1, 1993 as agreed on by the ODS and the HZDS, the June election winners, at their talks August 26.

The draft was also supported by four deputies recently expelled from the SPR-RSC.

Following the announcement in the parliament about the draft's rejection, deputies started to question the correctness of the voting.

Objections were raised against the way of voting by SPR-RSC Chairman Miroslav Sladek who was unable to vote himself due to a plaster bandage on his hand and therefore another deputy from the SPR-RSC voted for both himself and Sladek.

Federal Assembly First Deputy Chairman Filip Sedivy (ODS) then said that the computer record lists two ODS deputies as absent although they were, according to him, present in the room and voted. Several ODS deputies then demanded a repeated vote.

Klaus Comments

LD0110180292 Prague Stanice Ceskoslovensko Radio Network in Czech 1430 GMT 1 Oct 92

[Interview with Czech Prime Minister Vaclav Klaus by Milada Richterova at the parliamentary studio in Prague—live]

[Text] [Richterova] Allow me to welcome you, Mr. Prime Minister, to our parliamentary studio.

[Klaus] Good afternoon.

[Richterova] Good afternoon. Right at the start, I would like to confess that even before the final vote on the bill to end the federation I had been asking the deputies to predict the outcome of the vote. And I must admit here that even among the Civic Democratic Party [ODS] ranks the views differed to a great degree. We know now that the bill was not adopted and did not gain the needed two-thirds majority in either of the chambers. What have you to say about this verdict?

[Klaus] Well, the outcome of the vote was touch-and-go, as we all know. If the number of votes was 89 instead of the necessary 90 in the Chamber of the People, and 42 instead of 45 in both parts of the Chamber of Nations, this is proof that the number of positive votes was much more than half, and had there not been the rule of the necessity of a two-thirds majority, it would have sufficed. It was all by a hair's breadth, as we say. So the forecasts necessarily must have been conflicting.

What can be done—I know that this, alas, means further complications for us. This means that we must return to complex, lengthy talks. There is no other way. If someone thinks that it could be solved by waving a magic wand or by shear willpower or better arguments, that, unfortunately, is not so. So there will be more and more political talks. No one can dictate the answers to us from above. We are living in a democratic world.

So that is one thing I am taking away with me. But the second thing is that I am, actually, spending more time

these days in the Czech National Council—I have been in the Federal Assembly less frequently in the recent period—and I have now witnessed the way in which the deputies behave toward one another and the type of arguments voiced by the opposition left-wing deputies, and I must say I was devastated. I am devastated. I had no idea what it was like. One is so busy that one has no time to watch television or listen to radio, to follow the afternoon or morning sessions of the parliament. It is terrible and I think the normal voter must really get a very bad feeling from the idea that somebody using such arguments, behaving in such a way, is deciding key issues like the dissolution or non-dissolution of this common country.

[Richterova] Do you think in this context—you spoke about deputies' deliberations—do you think that deputies of the ODS club did as much as they could to have this law passed by the parliament? By this I mean some amendment proposals put forward by opposition clubs that in substance were meant to be some sort of a compromise, or might be an effort to achieve a compromise, in order to have this law adopted.

[Klaus] There was no compromise as far as this law was concerned. If someone tried to deceive someone else about this, then it is simply a great and very simplistic lie.

[Richterova] Nevertheless, those efforts were being described as a compromise.

[Klaus] It was not a compromise. This law was an attempt to open a range of possibilities for terminating the federation, because we are aware of the fact that the federation is ending. Those who do not wish to see and hear this do not have their eyes open and do not live in this country. The federation is ending, and the issue is how to legitimize this process, how to give it a greater chance to be passed in a smooth way, free of hate and arguments, and so on. This law simply proposed that it need not necessarily be a decision by the Federal Assembly. This law did not propose anything else.

A compromise is simply not possible there. A compromise, something falsely offered by someone as a compromise, was in fact the negation of this law's purpose. I hope our public is aware of this.

[Richterova] Thus, do you think, as do many of our listeners, that deliberations about the federation's termination and a chance for the laws linked to this issue to be passed are being intentionally obstructed in the parliament?

[Klaus] As we are well aware, the left-wing opposition does anything possible in order to attack the government coalition. It simply does anything possible with this aim—it chooses any possible or even impossible subject. For the time being, their topic is a constitutional set-up, for two years their topic was economic reform; they will choose something else in the future.

[Richterova] Mr. Prime Minister, like many other journalists, I too move about very frequently in the parliamentary building. Voices were even heard here in the Federal Assembly building during the past days, directly from the Club of ODS deputies, that if this constitutional bill is not adopted, the Federal Assembly will lose its function and future activities will in essence be transferred to the National Councils. How do you see it?

[Klaus] There is a danger that something like this will happen. Up to now we have proceeded more or less from an unwritten rule or law that winding up matters connected with the demise, division, and the like would be the concern of federal bodies—that is, of the Federal Assembly and the Federal government—and the new matters, the creation of something new, would be the concern of republican bodies. This was more or less an accepted principle, and we have therefore operated in accordance with it.

I have been devoting myself quite logically in the Czech Government at present more to the second matter than to the first one, and you probably know well that a meeting between the Czech and Slovak Governments will be held in Zidlochovice on 6 October to discuss a whole number of previously prepared agreements and treaties from the basic areas of our life—about how to proceed further after 1 January 1993 and the like. We have been working intensively on this matter. The Czech Government will hold a special meeting over the weekend here in Kolodeje, and even now during the breaks I have been busy writing. Perhaps you have noticed that I have been writing something.

[Richterova] I have noticed.

[Klaus] Yes, I have been writing. I am finishing one of the 10 texts that the Czech Government will submit at next week's meeting. It is about a treaty in the field of monetary arrangement. We are therefore working intensively on it because we know that it would be enormously irresponsible not to have, after the federation breaks up, contractual foundations for something in the future....

[Richterova, interrupting] Nonetheless, will the failure today to pass the constitutional bill on the ways of terminating the federation therefore not influence your discussions with Meciar?

[Klaus] The talks between the two governments next Tuesday about what the future customs union should look like; what the common market should look like; how the borders should be adjusted; how mutual cooperation in penal proceedings should be regulated; how mutual relations, for instance in social security, should be regulated; how other civic matters should be regulated—I have in mind from the viewpoint of state citizenship and the like—these are matters that are completely essential and I am afraid we cannot afford not to prepare them. We have to work on them even after today's proceedings.

[Richterova] Nonetheless, at the close, let us return to the constitutional bill, which the parliament failed to pass today and about which we have been talking most at this moment. Is it possible that the ODS will reintroduce some kind of a somewhat modified draft of this constitutional bill?

[Klaus] It is possible. It would probably be a somewhat different bill, although I do not wish to anticipate matters. Nonetheless, it would be a different bill that could be linked with the bill on the division of assets and the opening preamble would in fact contain something from the present bill. I can imagine it.

[Richterova] Thank you for the interview, and I am looking forward to our next meeting sometime in the future.

ODS Indicates Willingness To Compromise

LD0110230292 Prague CSTK in English 1414 GMT 30 Sep 92

[Text] Prague Sept 30 (CSTK)—Filip Sedivy, first vice chair of the Czechoslovak Parliament, today indicated that the Civic Democratic Party (ODS) is willing to make a considerable concession to the ideas of the Czechoslovak Social Democratic Party (CSSD) about the ways the federation is to be dismantled.

Sedivy (ODS) was speaking to reporters after a meeting between the ODS parliamentary group and CSSD representatives, which concerned the bill on ways of terminating the federation.

The point at issue is a nationwide ratification referendum in the event that the federation would split by a constitutional law passed by the federal parliament, Sedivy said. He added there would have to be a clear statement on when such a referendum should be called. At the same time it would be necessary either to draft a new bill or to amend the current referendum law.

Sedivy said the ODS's willingness to make this concession might not meet with acceptance from the HZDS.

A series of meetings between the various groups of deputies is expected to continue until both houses of parliament decide definitively on the government bill.

In order to be passed in the Federal Assembly, the bill has to be approved by at least 90 deputies in the House of the People and at least 45 deputies in both parts of the House of Nations.

Supporters of the bill, the ODS-KDS (Christian Democratic Party), the Movement for a Democratic Slovakia (HZDS), the KDU-CSL (Christian Democratic Union-Czechoslovak People's Party) and the SNS (Slovak National Party) hold 85 seats in the House of the People. In the Czech section of the House of Nations they have 43 seats and in the Slovak section 42.

Assembly Approves Czechoslovak Union Proposal

LD0110200392 Prague Stanice Ceskoslovensko Radio Network in Czech 1700 GMT 1 Oct 92

[Report by Milada Richterova on the fourth session of the two Chambers of the Federal Assembly]

[Excerpt] [passage omitted] A short while ago, the deputies unexpectedly approved a proposal put forward by Deputy Milos Zeman of Czechoslovak Social Democracy in which he asks the Federal Assembly Presidium to form a commission to draft a constitutional law on transforming the Czechoslovak Federation into a Czechoslovak Union.

The deputies of the Federal Parliament are continuing their deliberations. They are voting on the amendments of the bill on outlining powers in the spheres of internal public order, security, and the press.

Assembly Approves Budgets for First Half of 1992

AU0110150892 Prague CSTK in English 1555 GMT 29 Sep 92

[Text] Prague Sept 25 (CSTK)—The 4th session of the two houses of the Czechoslovak Federal Assembly (parliament) today took note of a government report on the fulfillment of the federal budget and the aggregate result of the federal, Czech and Slovak budgets in the first half of the year.

The report, submitted by Czechoslovak First Deputy Premier Rudolf Filkus (HZDS) [Movement for a Democratic Slovakia], said that the three budgets had a surplus of 4,000 million crowns (some 13 million U.S. dollars). However, pressure for higher spending in the last months of the year and lower-than-expected revenues from the turnover tax indicate a trend towards a deficit in the three 1992 budgets.

That is why the government sees the budget fulfillment very soberly and recommended measures to be taken to minimize a possible deficit.

The government believes it is necessary to closely coordinate the course of action by all the three finance ministries, to regulate spending in the fourth quarter of 1992, to compensate unplanned spending with savings in other spheres, and to try to decrease the losses caused by lower revenues from the turnover tax by measures to prevent tax evasion, the report said.

On the other hand, Filkus said, the Czechoslovak economy was quite balanced in the macroeconomic sphere: inflation was fully controlled, the crown's exchange rate was stabilized, and supply and demand were in equilibrium on the home market.

The foreign debt is growing only slowly and it now stands at 9,800 million dollars, Filkus said.

He stressed that the bottom of economic decline has already been overcome and there is a trend towards

revival especially in the building industry which was heavily affected by the economic decline.

The revival is due to the private sector which now employs about one million people and ensures almost one half of the retail-trade turnover and an influx of direct foreign investment, Filkus said.

He also said that the overall social situation has been improving because unemployment has decreased and real incomes have started to go up again. However, the situation in individual groups of the population is differentiated and incomes and property begin to be polarized.

Deputies recommended to the federal fund of national property to quickly earmark 1,550 million crowns (about 52 million U.S. dollars) for writing off debts of Slovak enterprises and for increasing banks' capital reserves.

The deputies also asked the government to inform them in detail about the use of the 3,300 million crowns (about 110 million U.S. dollars) earmarked for the needs of ethnic minorities and for the development of certain regions.

Filkus told the parliament that if the common state of Czechs and Slovaks is not split as of January 1, 1993, a provisional federal budget will be prepared for next year.

The parliament today also approved the Czechoslovak-U.S. and the Czechoslovak-Chinese agreements on support for and protection of investments.

The 4th joint session of the house of nations and the house of the people will continue on Tuesday with debate on a bill on ways of ending the Czechoslovak federation.

Klaus Calls For 'Generous' Property Division

AU0110152292 Prague CSTK in English 2158 GMT 29 Sep 92

[Text] Prague Sept 29 (CSTK)—Slovak Premier Vladimir Meciar's proposal to conclude a new Slovak-German treaty was called disquieting by Czech Premier Vaclav Klaus on Czech Radio today, but he added the Czech side will not try to tell anybody what he should do.

But Klaus recalled that in their talks, the ODS [Civic Democratic Party] and the HZDS [Movement for a Democratic Slovakia] have agreed to conclude agreements covering four areas of the life of society: economy, civic matters, military-defense-security and foreign policy. It is a question, Klaus added, whether Meciar's statement in Nuremberg was to be considered a signal indicating that Slovakia challenges these agreements.

On federal property division, Klaus said it should be generous and must be done on the basis of generally recognized principles: the territorial principle is to be applied to what is dug in the earth, and a simple key is to be used in dividing what is movable: perhaps the population proportion two to one.

On the Slovak side's demand to conclude an agreement between the Czech and Slovak Republics before the federation ends, Klaus said it is not in harmony with what had been agreed. The ODS and the HZDS have agreed to conclude not one isolated agreement, but a series of agreements. Currently the establishment of a customs union and other projects are being prepared and the Czech Government wants to submit them at the October 6 talks between the Czech and Slovak Governments, Klaus said.

Zieleniec Views Slovak Proposal on German Treaty

AU0110153292 Prague CSTK in English 1548 GMT 29 Sep 92

[Text] Prague Sept 29 (CSTK)—Czech Foreign Minister Josef Zieleniec today challenged Slovak Premier Vladimir Meciar's proposal that after the division of the Czechoslovak federation next year talks should start on the conclusion of a new bilateral agreement.

This was a step which nobody has consulted with us and that has evidently harmed our interests, Zieleniec told journalists in Prague.

He noted that not all in Germany agreed with the treaty and that Sudeten German organizations demand new negotiations. The opening of this problem from our side plays into the hands of these forces, Zieleniec said.

He said Meciar's intention is an attempt to trigger off intra-German conflicts and called it improper. In his view, this also harms long-term interests of Slovakia. But this is a matter of Slovak political representatives, he said.

Slovak Government Prefers Joint Currency

LD0110115192 Prague CSTK in English 2149 GMT 29 Sep 92

[Text] Bratislava Sept 29 (CSTK)—The Slovak Government would prefer a joint currency (for the Czech and Slovak Republics), but if it should be separated, it would push through a floating exchange rate and not a firm one as advocated by the Czech side, Vladimir Meciar told journalists today.

The Slovak premier said that in the sphere of human rights, the Slovak Republic has worked out two regimes of approach to citizens of the other republic—one considering them foreigners and the other granting the citizens of both republics the same rights with the exception of the right to vote. The latter possibility is preferred by the Slovak side, Meciar said.

On a defence union between the two republics, Meciar said that there should exist a defence alliance similar to NATO. If the Czech side does not accept any of our

variants, nothing will happen, the life will go on, Meciar said. By proposing the signing of a new treaty between Germany and Slovakia, Meciar did not intend, as he put it, to harm the Czech Republic, nor to cast doubt on the Czechoslovak-German treaty. He sees it rather as Slovakia's proposal to Germany for a settlement of pending issues from the period of World War II, he said.

According to Meciar, the rather optimistic conclusion of his talks with Hungarian Premier Jozsef Antall in Budapest on September 9 was not welcomed by some Hungarian nationalist circles in the Slovak Republic. He said he considers Hungary's objections to the situation of its ethnic minority in Slovakia ungrounded and on the other hand compares the demands of the Hungarian minority presented by Egyuetteles Chairman Miklos Duray to an attempt at splitting the state's integrity. He emphasised he will speak with Duray only if he holds reasonable views.

Speaking of Antall's address in Nuremberg last week, in which he attacked the policy of the Slovak Government, Meciar said it was condemned even by German representatives, and recalled that the attempt at attacking Slovakia turned against Antall himself.

Meciar, Ministers Lose Council Credentials

LD0210133192 Bratislava Slovak 1 Television Network in Slovak 1800 GMT 1 Oct 92

[Text] Members of the Slovak Government henceforth cannot exercise their parliamentary mandate in the National Council of the Slovak Republic. However, this does not apply to Federal Assembly deputies. New deputies will have to be nominated to replace vacant mandates in accordance with the relevant lists of candidates and parties.

This was stated by Milan Secansky, chairman of the Constitutional Committee, in an interview given to the Press Agency of the Slovak Republic. He added that five substitute members to replace Vladimir Meciar and Ministers Knazko, Tothova, Keltosova, and Cernak should be sworn into parliament during next week.

Profit From Soviet Property Sales Discussed

AU0210121692 Prague HOSPODARSKE NOVINY in Czech 29 Sep 92 p 2

["(rop)"-signed report: "Decontaminating the Property Is a Prerequisite"]

[Text] The property and financial settlement associated with the withdrawal of Soviet forces from the CSFR will end in a deficit for our side. This announcement was made by Dr. Jaroslav Vlcek, director of the Office For Dealing With the Consequences of the Soviet Forces' Presence on CSFR Territory, at a news conference in Prague yesterday.

However, this deficit should be smaller than originally forecast. The former Soviet Army left property in our country worth around 1.75 billion korunas. It will transfer to the Federation's ownership and be divided between the two republics according to the territorial principle. We have also taken over the joint bank account in which money from the sales carried out by the Soviet side was deposited. On the other hand, there is considerable ecological damage; however, responsibility for only part of it can be attributed to the Soviet side. The Czechoslovak-Soviet Commission for Ecology has estimated the cost of this damage at 3.5 billion korunas. Some 300 million korunas from the sale of Russian facilities on our territory will be used to construct apartments in the Russian Federation for the members of the Soviet forces withdrawn from the CSFR.

As Engineer Marian Tkac, the Slovak Government's plenipotentiary, said, 85 percent of the vacated facilities in Slovakia will transfer to the Army's ownership and only 24 of them will be used for civilian purposes. These facilities are in very poor condition and, in certain cases, are simply unsalable. The profit from these sales may not even cover the cost of decontaminating the land on which they are located.

Compensation for injury to life, health, or property caused by the entry into and presence on our territory by Soviet forces should be completed by the middle of next year.

On 30 September a competition will be announced to decide how the former military exercise areas in Ralsko and Mlada will be used. The Mlada base, comprising 58 square kilometers, is located roughly 40 km north-east of Prague. The Bozi Dar military airfield in Milovice is also part of this base. Ralsko is located some 80 km north of Prague and it comprises 250 square kilometers. A former military airfield for small and medium-sized aircraft is also located within this base. At the moment, however, there is greater interest in Mlada. A condition for participating in the competition is, among other things, an undertaking by the future winner to decontaminate and clean up the appropriate territory. The competition should close on 15 February 1993 and the winner should be announced by the Czech Government on 15 March 1993.

Foreign Minister Addresses UN General Assembly

LD0110203392 Budapest MTI in English 1816 GMT 1 Oct 92

["Hungary Ready To Join Stand-by UN Peacekeeping Forces"—MTI headline]

[Text] New York, October 1 (MTI)—Hungary supports the plans aimed at expanding the crisis prevention and peacemaking activity of the United Nations, and is ready to join in the establishment of stand-by UN peacekeeping forces. Hungary would like to have the minority protection standards worked out as soon as possible, Hungarian Foreign Minister Geza Jeszenszky said, among others, in New York on Thursday [1 October].

The foreign minister was addressing the general debate of the UN General Assembly. Jeszenszky ensured the Hungarian Government's support for the recommendations of UN Secretary-General Butros Butros-Ghali, for enhancing the effectiveness of the crisis-preventive, peacemaking, peacekeeping and peace-building role of the United Nations.

"It must be stated that in our world today, preventive diplomacy can succeed so long as individual states, already at the early stages of the development of a problem, do make use in a responsible manner of the crisis-prevention possibilities provided by the world organization and do not regard them as an impairment of their sovereignty. On the other hand, if such possibilities remain unexploited and the problems start festering, the organization must be prepared to act resolutely, effectively and swiftly, making use of all means at its disposal against a state that threatens peace and security."

"In the course of the crisis management of the past years, the Security Council has set precedents, most recently by condemning "ethnic cleansing" and breaches of international humanitarian law in Bosnia-Hercegovina, which make it unambiguously clear that respect for human rights, including the rights of minority communities, is an integral part of international peace and security and cannot, by any means, be considered as an internal affair. It is fundamentally important, therefore, that the Security Council should also follow with close attention grave human rights violations occurring in individual states", the foreign minister stressed.

Jeszenszky announced that Hungary is ready to join in establishing within national farmeworks stand-by forces for United Nations peacemaking and peacekeeping purposes, and the reserve fund serving the actions. He also welcomed the proposal that international monitors could be deployed on the territory, including the border areas, of the requesting party, even if this request is by only one of the parties to the conflict, as is done by the Conference on Security and Cooperation in Europe in connection with the southern Slav crisis in the form of monitoring missions to be sent to Hungary and other states. "Today, the key issue of stability and security in Central and Eastern Europe is the recognition and promotion of the endeavours of peoples towards self-determination, and of national minorities towards adequate forms of self-government. For these peoples, the endeavours towards self-determination constitute a first but apparently unavoidable step on their road back to Europe, towards their participation in a new, voluntary integration."

The Hungarian foreign minister also said that the transition from dictatorships to political pluralism can also result in sharp social debates, tensions, and unresolved external situations.

"Let me mention in this respect the vitally important legal, ecological and navigational problems which arose along the Danube river regarding the hydroelectric dam", Foreign Minister Jeszenszky said, referring to the Gabcikovo barrage issue on the Hungarian- Czechoslovak border.

"The bilateral talks aimed at settling the problems have so far remained, much to our regret, unproductive. We wish to do everything so that Hungary and her neighbour in question, with welcome international assistance, can jointly find a mutually acceptable solution, rather than add another source of conflict to our already tension-ridden region.

"A further question of the transformations sweeping through the Central and Eastern European region is how to confront the dark shadows accompanying the rebirth of freedom and democracy? These transformations must be protected from all extremes, from all the demons of totalitarianism in whatever colour, from the revival of various brownshirt ideologies and attempts to paint over communism with national colours alike. However, the peoples of our region are far from being the only ones affected and interested in mastering this task. Therefore, their efforts for the prevalence of democratic values require and deserve international support", Jeszenszky emphasized.

The foreign minister firmly condemned aggression, dictatorial governance, forcible acquisition of territory, and the intimidation of minorities experienced in the southern Slav crisis, for which grave responsibility rests with Serbian nationalism and its regular and irregular armed forces. "We believe that the Security Council, too, must take further concrete measures to deploy the peacekeeping forces in a preventive manner in areas where such action is warranted and has not been taken so far", Jeszenszky proposed.

The Hungarian foreign minister voiced the profound concern of the Hungarian public in view of the threatened situation of the some 500,000 ethnic Hungarians in Vojvodina, and in other areas under Serbian control. He warned: "Serbian policy has not only chased tens of thousands of Hungarians from their ancestral homes, but is now intent on settling several thousand Serbian refugees in territories of Vojvodina and Slavonia inhabited

by Hungarians and others, thereby forcibly changing the ethnic composition of whole areas.

"This is a grave violation of the resolutions of the Security Council and of the decisions of the London conference which demands adequate response.

"It is also necessary for the UN to assume an active role to assist the safe return of the refugees, to create conditions under which the right of the returnees can be guaranteed and the prosecution of those responsible for violations of law can take place," Jeszenszky said.

"We cannot speak of freedom, democracy, justice—and, consequently, of the rule of law—when the rights of national, ethnic, linguistic or religious minorities are not respected. The legitimate aspirations of the minorities to preserve their identity, language, culture and religion, as well as to foster relations with their mother nations do not question at all their loyalty as citizens. These aspirations, therefore, cannot be regarded as a threat to the unity of the state."

"The various concepts of autonomy arising out of a particular minority situation do not call into question the framework of the state concerned. Their purpose is to create the proper conditions for the self-government of minorities, and for the exercise of their rights in a way that fits into the constitutional and legal order.

"Life demonstrates that the orderly state of minority condition does not weaken, on the contrary, it does unequivocally strengthen the stability of the state and its internal social peace. In this connection, we sincerely welcome the settlement by Austria and Italy of the issue of Alto Adige/Sud Tirol."

In conclusion, the Hungarian foreign minister called for the creation and introduction of the institutional system of international guarantees serving minority protection, as soon as possible.

Antall Speech Printed After 'Misinterpretations'

AU3009185892 Budapest UJ MAGYARORSZAG in Hungarian 28 Sep 92 p 3

[Text] Hungarian Prime Minister Jozsef Antall gave a speech at the opening ceremony of the Danube-Main-Rhein canal in Nuremberg, Germany, and his speech elicited strong criticism from the Slovak side. We hereby publish the full text of this speech to clarify things and because of the numerous misinterpretations so far.

"Thank you for your honorable invitation and for the trust to be able to speak on behalf of the countries along the Danube River and thank the builders of the canal, and to express our common desire to make this waterway system a link between nations in Europe. With the disintegration of the Soviet Union and the collapse of the communist regimes, our region is advancing now on a new road. However, no one should think even for a moment that the threatening danger has gone away for good. The new fragile political systems are struggling for survival and reorganization under serious economic and social circumstances. A civil war is in progress around us, and making use of the social tensions, uncontrolled armies and politicians connected to the past could represent a danger in this region at any time, and a reviving totalitarianism could threaten Western Europe and the free world. Therefore, it is necessary more than ever to curb extremism, consolidate European integration, and continue the Atlantic solidarity.

"I am particularly happy to meet here in Nuremberg, in this beautiful ancient city that has always had close economic, political, and cultural relations with the countries along the Danube River.

"As a big river, the Danube determines the development of civilization in central and southern Europe. The ancient relics of our culture and later the masterpieces of craftsmanship are all bearing witness to the connecting role of the Danube River where, it is of special value that, in addition to various objects and people trading with them, culture and spiritual goods also 'travelled' along this river. This spirituality connected our historical Europe also at times when wars were raging here and new borders were cutting it up.

"The regulation of the Danube River flow is connected to the name of Count Istvan Szechenyi, the reformist politician who reformed Hungary. The navigation facility at the Iron Gate is a particularly well-known part of his activity. However, Istvan Szechenyi's name is also connected with the support of steam shipping in Hungary.

"The tasks facing us are as serious as the heritage of the past. This canal connects two areas that had a different economic development. While the current yearly turnover of goods on the Danube River is 80 million tonnes, the turnover of goods on the Rhein River is about 200 million tonnes. This difference is further increased by the fact that the navigable Danube is three times as long as the navigable Rhein.

"Difficult navigation conditions in many areas on the Danube are hindering the really competitive transport of goods, like in Germany, Austria, Hungary, the CSFR, Croatia, and Serbia-Montenegro. In both the passenger traffic and transportation of goods, efficiency and environmental protection will jointly determine the best system of transportation. However, it is certain that one of the fundamental tasks of every country's transport policy is to formulate the expedient and correct proportions of the river, air, public road, and railway traffic.

"I am sure that I can formulate our intentions as a common will to guarantee an optimal waterway by taking into consideration both the ecological and economic viewpoints stipulated in international agreements. For this, we must appraise our forces realistically and implement all this in a way and at a pace that no forced measure will harm our natural resources; we must guarantee the navigation conditions coordinated along sections of the entire length of the Danube River.

"It would not be correct on my part to hide the fact that there is serious tension between Hungary and the CSFR, or the future sovereign Slovakia, regarding our joint Danube section. Although we are clearly striving for good neighborly relations, I must speak about the international legal and ecological-navigational problems connected with the construction of the hydroelectric power plant on the Danube River. We can only regret the fact that the CSFR Federal Government and the Slovak Government have still failed to find the way leading to a joint position. Hungary declared the interstate agreement signed on this issue in 1977 as abolished; however, Slovakia continued and still continues to build the project. For the operation of the Danube power station, they chose a technical solution that will modify the Danube's navigational bed and will also unilaterally direct the flow of the Danube to Slovak territory, while the Danube was declared a border flow in the peace treaties of 1921 and 1947. On our part, we regard this as a border violation and a source of conflict that will obviously exacerbate the problems of our region, already fraught with tensions as it is. Because of the abolition of the 1977 contract and the modification of the border, we initiated talks with the CSFR Federal Government and the Slovak Government for a joint appearance at the International Court in The Hague.

"A forced modification of the natural environment is another issue regarding the power station on the Danube River. We called upon the CSFR Government to start exploratory talks about the controversial issues and about including EC experts.

"I must also mention the fact that the new situation will create new conditions for navigation. It is our common interest to examine this and find the most suitable solution from a legal, technical, and economic viewpoint. The decision of the Hungarian Parliament summed up the position of the Hungarian Republic on all these matters.

"I would like to stress that we do not oppose the hydroelectric power stations in general, but here we are facing an ecologically dangerous plan, a plan that does not contain guarantees and cumulative remedies, and a plan that is economically inefficient and violates political borders, a plan that we inherited from the communist governments and one that was forced upon us through the lack of our sovereignty.

"I am convinced that this ceremony symbolizes a new system of relations, and it is our common task to avoid any obstacle in the path of their development, and I call upon everyone present here and every European citizen to help us in this endeavor.

"I wish a lot of success to our German friends, and we find it excellent that, despite all the difficulties, the German unity could become a reality. Without this, we cannot talk about European unity and, therefore, we are proud that we also contributed a little to the creation of this unity in the difficult weeks of 1989. Despite the bitterness of ordinary weekdays and the troubles of the average people, the future generations will regard this period as the golden pages of Germany's history.

"Thank you for your attention."

Parliament Debates Dismissal of TV Journalist

LD0110155892 Budapest MTI in English 1523 GMT 29 Sep 92

[Text] Budapest, September 29 (MTI)—MP's [members of parliament] dealt with the Monday [28 September] dismissal of Istvan Palfy G., editor-in-chief of the evening news programme "Hirado" (Newscast) and the weekly TV magazine "a Het", (The Week), in unscheduled contributions on Tuesday morning. As reported, the dismissal has stirred up political controversy. The opposition termed the two programmes edited by Palfy G. as pro-government, while politicians of the ruling coalition regard Palfy's dismissal as a move against democracy.

The radio and television presidents, Csaba Gombar and Elemer Hankiss, were appointed by President Arpad Goncz in 1990, at Prime Minister Jozsef Antall's proposal, after a six-party consensus. This spring, the prime minister asked Goncz to dismiss Gombar and Hankiss for not ensuring unbiased broadcasting. After Goncz refused to meet Antall's request, the matter was referred to the constitutional court. However, both Goncz and Antall interpreted the court's verdict as confirming their own positions. The Constitutional Court decided to resume discussion of the matter if the media law is not passed before the end of November.

Supervision of public service media is currently regulated by a 1974 government decree, contrary to the present constitution. Under the 1990 compromise between the opposition and the government coalition, passage of the media law is only possible by a two-thirds majority, for which opposition votes are necessary.

Christian Democrat head Bela Csepe termed Palfy's dismissal as a blow to media peace. "This is a political matter indeed," he said, and called on TV president to draw the necessary conclusions and promote settlement of the media dispute by his resignation. The Christian Democrats expect the constitutional court "to make its verdict clear for whom it is necessary," the president of the republic "to act accordingly," and the government "to take the necessary steps permitted by law".

Miklos Gaspar Tamas of the Alliance of Free Democrats believed it was inappropriate for parliament to form opinions on personnel changes in autonomous institutions. He termed it "one of the crucial questions of Hungarian democracy how parliament and the government relate to autonomous organisations" even those funded by the central budget. "Freedom in Hungary is put at risk by attempts to politicise these institutions," Tamas stressed.

Democratic Forum parliamentary leader Imre Konya felt that Palfy's dismissal also affected current legislative work. Regarding the media law as a long-term solution, the coalition parties were striving to avoid any move likely to forestall a compromise. The TV president's decision, however, marked a unilateral shift hindering efforts at reaching the consensus necessary to pass the media law.

HDF Discusses Dismissal

LD0110231192 Budapest MTI in English 0010 GMT 30 Sep 92

[Excerpts] Budapest, September 30 (MTI)—The parliamentary group of the Hungarian Democratic Forum (HDF), the biggest governing party, held a session lasting for over four hours Tuesday [29 September] night. The event was attended by Prime Minister Jozsef Antall.

After the meeting, Imre Konya, head of the parliamentary group, told the press that the MP's [members of parliament] discussed the "situation of the television in the light of the latest events, and agreed on the policy to be pursued." Without going into details, Konya said the government would only make such steps that comply with the Constitution. [passage omitted]

The editor's dismissal stirred up political controversy and provoked unscheduled parliamentary contributions on Tuesday morning. Konya denied that Antall had given briefs of the one-hour consultation he held with President Arpad Goncz on Tuesday evening. From another source, MTI learned that the prime minister had spoken about the consultation.

Yet before the session, Tamas Katona, state secretary in charge of media affairs, held a consultation with the government's media committee on the government measures to be taken after Palfy's dismissal. The committee was set up to examine the opposition's proposed amendments to the media bill and decide which of them are acceptable for the governing coalition. Represented in the committee are all ministries which have anything to do with the radio and the television from legal or financial points of view. Speaking to journalists, Katona stressed the government's vested interest in reducing tension between the prime minister and the president of the republic. [passage omitted]

State Secretary Views Dismissal

LD3010230192 Budapest MTI in English 1031 GMT 30 Sep 92

[Text] Budapest, September 30 (MTI)—Dismissal of Istvan Palfy G., editor-in-chief of two evening news programmes on Hungarian Television, was a forced move timed before the government launches a Hungarian satellite programme for ethnic Hungarians in the Carpathian region, said Transport, Telecommunications and Water Management State Secretary Zsolt Rajkai.

A politician of the Independent Smallholders Party, the state secretary told MTI that the trial broadcast might be launched in early October, with the first programme on October 15.

Under an agreement signed with Eutelsat this summer, Hungary should start broadcasting in the last quarter of 1992. Missing this chance would cause a huge delay as the next satellite would not be launched until next summer and would only be in operation a year later, Rajkai said. "From the political point of view, it would have been strange for any party to prevent the satellite broadcasts. The opposition resorted to another means. It targeted the editor of the two programmes that would likely be included in the broadcast—the evening newsreel and the weekly political magazine "A Het...," Rajkai said.

If all goes to plan, the weekly foreign policy magazine "Panorama" would also be aired via satellite, the state secretary said. However, he did not exclude the chance that "Panorama" editor-in-chief Alajos Chrudinak would also be dismissed, but expressed the hope that no such move would be made.

Palfy G. was in part relieved for a public letter "declaring war" against TV President Elemer Hankiss. The media chief said such statements were unacceptable in a hierarchical structure. The other reason Hankiss gave was the poor professional quality of the programmes edited by Palfy G.

Meanwhile, concerning Chrudinak's "Panorama", in Hankiss's view, the programme no longer serves the interests of Hungarians in Transylvania, Slovakia, Vojvodina and Subcarpathia, nor does it benefit good neighbourly relations. Before the democratic changes in the region, "Panorama" did a lot for ethnic Hungarians living beyond Hungary's borders. Chrudinak has addressed a public letter to Hankiss which the TV chief termed "as unfriendly, denuniciating and defamatory," but he has not yet answered the letter.

Parliament Starts 1st Reading of Minorities Bill

LD0110163492 Budapest MTI in English 2247 GMT 29 Sep 92

[Text] Budapest, September 29 (MTI)—The Hungarian Parliament started the first reading of a bill on the rights of national and ethnic minorities on Tuesday [29 September].

The bill aims to stop the minorities' assimilation, Minister Without Portfolio Ferenc Jozsef Nagy said. It specifies in detail the minorities' collective rights, including the right to set up self-governments on local and national level. It also declares the minorities' right to parliamentary representation, the form of which will be specified by a separate law. The minister said the bill would recognize as individual minority rights the public declaration of one's affiliation to an ethnic group or

minority, the equality of political, social, economic and cultural chances, and participation in mother-tongue education and culture.

The three governing parties (Democratic Forum, Independent Smallholders, Christian Democratic People's Party) unanimously supported the bill, while the opposition said it contained some essential errors. The contributors of the Alliance of Free Democrats, the Federation of Young Democrats and the Hungarian Socialist Party said the bill was unacceptable in its current form. They opposed that the minorities self-governments be organized regionally and criticized the bill for containing inadequate guarantees for the minorities' cultural autonomies.

The bill specifies 13 national and ethnic minorities in Hungary, a country with 10.3 million inhabitants. The biggest nationalities are as follows: German: 230,000; Slovak: 100-110,000; Croatian: 70-80,000; Romanian: 25-30,000; Serb: 5,000; Slovenian: 5,000. Estimates put the number of gypsies somewhere between 600,000 and 1 million, and that of Jews to 80,000.

The bill does not apply to refugees and immigrants.

Industry, Trade Minister Views Industry Policy

AU3009193592 Budapest NEPSZABADSAG in Hungarian 29 Sep 92 p 5

[Interview with Industry and Trade Minister Ivan Szabo by Ference Hajba in Gyor on 29 September: "Industry Policy With Cutbacks"]

[Text] The industry policy concept will be completed by November, Ivan Szabo announced at the general meeting of the North Transdanubian Trade and Industry Chamber in Gyor on 28 September. Our county correspondent interviewed Szabo on the proposals that will certainly have a great influence on economic policy.

[Hajba] What can be the role of an industry policy concept in a market economy?

[Szabo] Based on world market trends, it can outline industry's, trade's, and agriculture's scope for maneuver. It is obvious that the government can acquire more information with its own methods than for example a cooperative chairman in Tarcal or a small entrepreneur in Debrecen. In addition, there are some strategically fundamentally important branches of industry—for example, energy production—that need government decisions to help them choose their direction of development.

[Hajba] How high a level of unemployment does the concept expect?

[Szabo] We are expecting further cutbacks next year. We have no reason to suppose that the Hungarian industry will be bigger and employ more people than the German, French, or British industries. In these countries, some 13 to 15 percent of the total workforce is employed in industry. Industry engages 20 percent of the workers in Hungary. This means that industry will continue to lay people off in the future.

[Hajba] Where will these people be able to find employment?

[Szabo] Mainly in the service industries. Employment in this sphere is less than half of the West European average. Naturally, the revived industries will also create work places.

[Hajba] In your speech you said that trade should set the pace, and it should send orders to industry.

[Szabo] We have a peculiar situation where most of the trade is already privatized, therefore, it is operating according to market rules. Industry, however, is finding this task very hard. Trade is not yet setting the pace, but it will very soon have to take on the role of giving production orders to industry. It is trade that mediates and expresses the consumer demands that were outlined by the Planning Office in the past.

[Hajba] Nevertheless, you did not deny either that, for the time being, trade is only setting the pace of inflation.

[szabo] Unfortunately, this is true, although trade is also interested in reducing the inflation rate. This is because it will have higher domestic turnover if it uses lower profit margins. Bigger demand in turn produces bigger profits.

[Hajba] Does the economic policy have any means to steer trade in this direction?

[Szabo] The $100-million credit from the World Bank will bring about a fundamental change. We can use this money to change the structure of trade. Lower interest loans on current assets will appear. As a result, trade will be able to use a lower profit margin.

Wielowieyski Elected to Council of Europe Post

LD0110134792 Warsaw PAP in English 1237 GMT 1 Oct 92

[Text] Strasbourg, Oct. 1—Polish M.P. [member of parliament] Andrzej Wielowieyski of the Democratic Union (UD) has been elected deputy chairman of the parliamentary assembly of the Council of Europe following the resignation of Hanna Suchocka from the post after she had been appointed Poland's prime minister last July.

Miguel Angel Martinez, chairman of the parliamentary assembly, who was addressing its session on Wednesday [30 September] expressed hope that Ms. Suchocka will be able to come to Strasbourg next year to address deputies from 27 European countries.

The Polish parliamentary group includes 12 members and 12 alternate members who are taking part in the work of all the committees of the parliamentary assembly.

According to Deputy Wielowieyski, the most important task of the assembly is to stimulate and support the process of European integration. He also believes that an integrated Europe is Poland's only safeguard in her position between Russia and Germany.

Goryszewski Optimistic About Enterprises' Future

LD0110113492 Warsaw PAP in English 2325 GMT 28 Sep 92

[Text] Gorzow Wielkopolski, Sept. 28—Economic growth depends on changes in the Polish credit policy, said Deputy Prime Minister Henryk Goryszewski during Monday's [28 September] meeting with directors of enterprises and representatives of local government in Gorzow Wielkopolski.

Defining objectives of next year's economic and social policy Goryszewski emphasized that the government would support the development of private enterprises and pursue antirecession and anti-inflationary policy.

He also said that the government's support of investments and strive for increasing demand for home products does not mean that it would wall Polish economy off other economies. As the third element of Polish policy he named giving proper shape to monetary policy that would require the curbing of inflation wisely and consistently.

According to Goryszewski, it is possible that the process of rescheduling debts of state-owned enterprises could be started at the outset of next year. Both, the banking and the budgetary systems are ready to issue some 20 trillion zlotys (USD [U.S. dollars] 1.5 billion) in bonds which put purposefully into the banking system will be used for healing banks' finances and rescheduling enterprises' debt.

Henryk Goryszewski also toured a construction site of a new border crossing in Kostrzyn, Gorzow Province, and visited Slubice where he met with the city's Governor Ryszard Bodziacki and the latter's German counterpart from Frankfurt An der oder Wolfgang Pohl. Their talks centered on border cooperation and possibility of construction of a university campus.

He also visited other industrial enterprises of the region and met with ordinary of the Jelenia Gora-Gorzow diocese Bishop Jozef Michak.

Solidarity 80 Sets Negotiation Preconditions

LD3010234692 Warsaw PAP in English 2049 GMT 28 Sep 92

[Text] Szczecin, Sept. 28—Leader of Solidarity 80 Marian Jurczyk said Monday [28 September] that the precondition for his union negotiating with the government on the "state enterprise pact" (agreement between government and unions on the transformation of state enterprises) was the presentation by the government of a socio-economic programme and adoption of a standpoint on the 21 demands agreed at the strike meeting at the FSM car plant in Tychy in August.

Jurczyk told PAP that if negotiations with the government took place he would not budge from any of the demands since most of them concerned problems which would be discussed in the talks.

Solidarity 80 would also demand a guarantee from the government that none of the strikers at FSM would be victimised before participating in the talks.

Negotiations on the pact should be open, thought Jurczyk. "Solidarity 80 has nothing to hide and does not intend to make a pact behind drawn curtains," he explained.

Solidarity's Rulewski on Support for Government

PM2909125592 Lodz GLOS PORANNY in Polish 19-20 Sep 92 pp 1, 3

[Interview with Sejm Deputy Jan Rulewski, of the Solidarity Parliamentary Caucus, by correspondent Henryk Sroczynski; place and date not given]

[Text] [Sroczynski] Popular opinion maintains—and results of public opinion surveys confirm—that parliamentary deputies are quite remote from the problems that bother ordinary people in their daily life. They are said to care mostly about their own and their parties' interests...

[Rulewski] I will agree with the first claim. To look at it objectively, those involved in lawmaking have always been remote from ordinary people's concerns. It is enough to consider Egyptian priests, then, later, various religious orders, and now parliamentary deputies. It is impossible to ask that the public love us when, for example, we bring in such laws as the geodetic law or,

later, the penal code. Would you believe that we ourselves sometimes nod off when listening to what we have created?... On the other hand, I would challenge the opinion that we are mainly concerned with our own interests. At least on my own behalf, and on behalf of the Solidarity parliamentary caucus, I can firmly insist that we certainly do not promote our own particular interests. And, more importantly, our interests are not necessarily tied in with our links with the power apparatus. All we set out to do is control the system of parliamentary democracy.

[Sroczynski] We have noted that the authorities are showing a general inability to solve our most fundamental problems. Do you not agree that this situation offers ideal opportunities to a variety of demagogues?

[Rulewski] Indeed, I do agree. It is true that the public is concluding that our activities are not effective enough. Our mental makeup continues to keep us tied to the previous system. Even we parliamentarians occasionally catch ourselves displaying such reflexes.

[Sroczynski] Many people doubt the chances of success of a government that had you and Deputy Bogdan Borusewicz, as it were, for its spiritual fathers.

[Rulewski] It was by no means our political sympathies that made us lend a hand to the formation of this government. It was the only feasible edifice that could be built on the basis of the political setups existing in the Sejm then. I do not claim that the present government is perfect, nor do I insist that we all love it. It represented our last effort to save the country from political destabilization.

[Sroczynski] In a sense, Solidarity gave this government its seal of approval. The consequences of this move could rebound on the union and on your own position in it...

[Rulewski] Indeed, we assumed responsibility for the government. We did it because it would have been irresponsible to allow a situation in which the country could become a political battleground. This would incapacitate the government and even the functioning of voivodship authorities would be made impossible.

[Sroczynski] Recently Sejm deputies had many sharply critical things to say about the government. It was the first serious criticism that the government had to suffer...

[Rulewski] There was not so much serious criticism as oppositionist legerdemain. We are still waiting to see the government's program, and we hope it will contain strong and brave decisions.

[Sroczynski] It is easily noticed that in the process of government formation ministerial portfolios are divided out among "the boys": Always among persons associated with parliament. But we also have distinguished experts outside that circle, at home and abroad. Do you not believe that something should be changed here?

[Rulewski] Maybe what I say will be not very polite, but I will still say it: Should not those people from outside parliamentary circles come up themselves and offer their services as parliamentary candidates? Alternatively, should not the electorate put up their names? Let them by all means pitch their abilities against ours: After all, they could very well beat us. Doubtless many would. Let me tell you more: Faced with such an efficient and able expert as my rival, I myself would resign. I mean it: I believe that I must have earned my right to retire from politics. I even dream of going into such retirement.

[Sroczynski] We know that opinions were divided within Solidarity as to whether the union should be represented in the Sejm. Do you believe that your "team" has demonstrated its usefulness in parliament? Was its work effective?

[Rulewski] The opinions you mentioned are still divided. However, I believe that we have indeed proved our worth in the Sejm... although some people insist that we should be seen and heard more, and that we should be still more effective. Well, yes, but what can you do when you do not have enough ammunition in the Sejm? However, it is also important that we have access to all current information including, most importantly for us, economic information. We can exert enough influence on the current political orientation.

[Sroczynski] In the present uncertain political situation, many parties attempt to win the support of enterprise work forces by making them many tempting offers. Do you not believe that existing configurations could change very rapidly?

[Rulewski] Every time the balance of power is disturbed, whether in favor of the side that has settled for making excessive demands or in favor of the circles of arrogant employers and no less arrogant government, the outcome is disadvantageous for the general public. Our trade union is the one that opts for building a structure which presupposes social and political equilibrium and even good financial balance. If there is enough time, I plan to publish an open letter to Prime Minister Suchocka—maybe in the form of a press article—in which I intend to appeal to her to make her government a government of such social, political, and economic equilibrium. And to make sure that it is neither like the administration of the previous one, which favored a definite liberal license, nor like the model for which certain parties have been clamoring: A government of state dictatorship where the state and its institutions take over the running of everyone's life.

[Sroczynski] As a Solidarity activist who has been most closely involved in Solidarity's mission as a social movement, how do you view the movement today?

[Rulewski] I have always believed that Solidarity as a social movement should embody issues that are most important for us humans—a certain ideology, combined with a practical program for its implementation in people's lives. You may say that I am a naive dreamer, a

20th-century idealist, when I tell you of my regret that that goal has been impossible to achieve. But I know the reasons why it has been impossible. First, the process has not been supported by the past governments. They placed their money on a model of liberal license. In this model, people who disregarded the interests of those around them were elevated to hero status. The consequences of such an attitude are today's unemployment, poverty, and destitution. The other reason is that, as a side effect of the roundtable negotiations, Solidarity's ranks were invaded by people who were unwilling to build a new community that would offer us a new model of life and enable us to fashion a new kind of relation between people. So we have become self-centered.

New Defense Official Outlines Goals

AU2909192592 Warsaw POLSKA ZBROJNA in Polish 24 Sep 92 pp 1, 2

[Interview with Przemyslaw Grudzinski, deputy minister of national defense with responsibility for defense policy, by Janusz Grochowski; place and date not given: "Poland Is Not a Poor Relative"]

[Text] [Grochowski] The Polish Army has more and more contacts with other countries, but still does not have an appropriate institutional apparatus to deal with the military aspects of foreign policy. Are you afraid to assume a seemingly excessive number of duties?

[Grudzinski] Yes, but I have assumed this post on the eve of a basic reorganization of the ministry, and in my opinion, as deputy minister responsible for defense policy, a genuinely new structure will be created to serve as the conceptual mind of the National Defense Ministry regarding the military aspects of international policy as well as military strategy programs.

I will create two departments: a department for strategic studies and of defense policy, which, in conjunction with the department of foreign military affairs, will create a relatively large, but not excessive team of military-civilian analysts. They will follow the development of the international situation from a security angle and prepare appropriate conceptual solutions for the leadership of the ministry.

[Grochowski] Similar institutions, which might just have a somewhat different name, exist in the Bureau of National Security. So why should those agencies be duplicated?

[Grudzinski] The Bureau of National Security is an advisory agency to the president, who, as commander in chief of the armed forces, is responsible for all aspects of state security policy. However, as in other states, the government should also be equipped with relevant instruments. There is nothing bad about that. State defense policy is so important that it is a good thing if there are agencies in various places that can deal with issues in a competent and systematic manner.

[Grochowski] There will be a meeting of the defense ministers of what is still the "triangle" on Saturday in Popraga. What do you expect it to achieve?

[Grudzinski] Precisely, it is still a triangle. At the moment, our region has entered a period of quite dynamic change connected with the way in which the situation in Czechoslovakia is evolving. That is why there is a need for a renewed definition of cooperation that has been developing very well until now. It is a question of arranging affairs in such a way that they should also develop favorably within the new configuration of four states.

[Grochowski] Is there a danger that we will return to a period in which the states competed with each other for NATO's favors?

[Grudzinski] That seems very unlikely to me because it would mean a loss for all the parties concerned. Cooperation within the triangle was a kind of test of our ability to cooperate and undoubtedly a prerequisite for realizing our broader security aspirations.

[Grochowski] It would appear that our integration with the Atlantic alliance is impossible in the foreseeable future. In your opinion, what kind of cooperation is currently possible?

[Grudzinski] We should do everything to use the opportunities that we already have being a member of the North Atlantic Cooperation Council. They are quite extensive, and the extent to which we will use them depends on our initiative and NATO's will. There is also a second question: Future prospects are linked to the degree to which the possibilities that exist now can be used. It is clear that we are on a logistical curve that will lead to close contacts between Poland and NATO.

[Grochowski] Minister, one does, however, get the impression that there is a certain disharmony. Our economic path to the West leads through Germany or France, but regarding military issues, we seem to be looking across the ocean more—to the Americans.

[Grudzinski] I do not think that one can talk about disharmony in our efforts to establish closer contacts with individual NATO member states. We want to have closer contacts with everyone, although the United States is a special case in this respect because it is the binding element in the European-Atlantic system, and it has a dual role in stabilizing European security. Historically, two world wars have confirmed that there is a need for an American presence in Europe. We would not like to repeat the experiment of the United States withdrawing from Europe, only to return quickly at some later date. Each time the United States returned, it involved great sacrifices. One has to learn lessons from history.

[Grochowski] Former Minister Jan Parys has accused the ministry and more broadly the government of pursuing a pro-Russian policy.

[Grudzinski] I am solely concerned with the future, with building a sensible, stable security policy. So, I would not like to comment on that, and I can only say that Russia is an important factor in world and European politics regardless of the views of this or that politician. No one in the world can question that.

It seems to me that ignoring Russia as a factor in European politics would be a catastrophic mistake and proof of thoughtlessness. Plain caution instructs us to carefully follow what is going on in that country, which is still a world power, and we should respond appropriately in our policy so that it serves Polish interests in the best possible way. How mutual relations will develop is another matter.

[Grochowski] At one time a concept of equal proximity was advanced. It was about preserving a balance in relations between our two largest neighbors at the time—Germany and the Soviet Union. Since then, however, the situation has changed significantly.

[Grudzinski] Historical experience has shown that sitting on two chairs at the same time is not a very comfortable position, and one might end up falling off both. In my opinion, it is impossible to solve the problem of Poland's security in Central and Eastern Europe by treating the area as an isolated region. It rules out striving to obtain the status of a neutral state. So, a longer term task is to become part of a general European security arrangement. Currently, a real structure stabilizing the situation on our continent is NATO. We should not, however, ignore other opportunities, if only those provided by the Western European Union or the CSCE system. I think that each one of those institutions is trying to respond to the challenges of these times and will change. That is because each of them is, in a sense, a child of the previous cold war epoch. It is obvious that if the NATO umbrella is to be extended over Central Europe that will entail a redefinition of the organization, resulting in a stabilization of the situation on the entire continent.

[Grochowski] One gets the impression that we have to appear in the role of the poor relative with nothing valuable to offer, but Poland can be an element of stability in Central Europe.

[Grudzinski] It not only can, but already is that. It is enough to look around us to see that there is a sea of instability surrounding us, to witness what the creation of new state structures involves. In my view, Poland is increasingly seen as a factor of regional stability. I would not associate this with any kind of mission for Poland in this region, but it is an objective fact that we are a reliable and predictable partner for all our neighbors, and we have made a considerable contribution to molding the European situation.

[Grochowski] At a UN General Assembly session, Minister Skubiszewski proposed using the facilities left by units of the former Soviet Army for training UN peacekeeping forces. Did we put so much effort into having one army leave our territory to immediately invite other forces into our country?

[Grudzinski] The point is that the army that came to our country was an army of occupation, and no one invited it to remain stationed in our country for over 40 years. The end of the cold war and the fact that Poland has obtained sovereignty provides us with an opportunity to freely shape our own destiny, and Minister Skubiszkewski's statement is an expression of that. The aim of that invitation has more than just a national dimension. It is a question of becoming involved in the creation of a broadly conceived cooperative world security system. Our involvement might also manifest itself in the creation of a certain infrastructure for peace operations that will probably assume a more effective character. Poland believes that there is a need for a certain redefinition of the opportunities for the UN peacekeeping forces to operate. Our proposal seeks to equip the UN with more efficient instruments that will enable it to defuse local and regional conflicts more effectively.

U.S. Congress Criticized for MFN Vote

AU0110155192 Bucharest Radio Romania Network in Romanian 1400 GMT 1 Oct 92

[Text] The Foreign Ministry Press Department has faxed us the text of a statement by the Ministry of Foreign Affairs in connection with the decision by the House of Representatives of the U.S. Congress to reject the most-favored-nation [MFN] status for Romania.

The Ministry of Foreign Affairs, the statement reads, has taken note of the vote in the U.S. Congress House of Representatives against ratification of the Romanian-American Trade Accord that includes the reciprocal granting of MFN status. This vote reflects a regrettable and unjustified discrimination toward Romania on the part of the U.S. Congress relative to the other countries going through the transition process, which not only has a negative impact on Romanian-American trade relations, but may also have serious political implications for the democratization process and economic reform in Romania.

The vote by the House of Representatives took place even though the State Department had persistently recommended the ratification of this accord before the end of the mandate of the current Congress and the presidential elections in the United States.

The Ministry of Foreign Affairs especially values the opinion expressed by Mr. Lawrence Eagleburger, the interim U.S. secretary of state. In a letter to the speaker of the House of Representatives on 29 September 1992, he stressed that the U.S. Embassy in Bucharest, the representatives of the National Democratic Institute and International Republican Institute, and the representatives of nongovernment organizations, hundreds of domestic observers in all, had reported on 29 September that the elections had taken place without acts of violence or intimidation following an election campaign characterized by pluralism and access to the media, something unprecedented in Romania. The letter cited the preliminary report of the two institutes that concludes that the 27 September elections mark a significant step forward in the constant process of Romania's transition toward democracy.

The negative vote by the House of Representatives and the discussions that preceded it show, on the one hand, a lack of understanding for the processes of change in our country and, on the other, the virulence of the anti-Romanian lobby in the United States, which is headed by Congressman Tom Lantos. As he said on 29 September 1992 in the House subcommittee for Europe, he led the campaign against ratification of the Romanian-American accord because the granting of MFN status to the deformed communist leadership in Romania would give an extraordinary impetus to it.

The vote shows that, despite pressure by the administration for ratification of the accord, the majority of the congressmen believed Mr. Lantos' claims that there is ethnic and religious persecution in Romania, that the current regime in Romania has pursued a policy directed against ethnic and religious groups, that Roman Catholics are subjected to persecution and Protestants to severe persecution, and that the very respected bishop of Timisoara—the hero of the Romanian revolution—Laszlo Tokes recently went on a hunger strike to protest the religious and ethnic persecution in Romania.

A day before the vote, Mr. Lantos sent a letter to all members of the House of Representatives asking them to vote against ratification of the trade accord, misinforming them about developments in Romania.

To inform the Romanian public, the full text of this letter is annexed to this statement.

Clearly, despite recent efforts, the vote in the House of Representatives shows that the members of Congress were not properly informed about realities in Romania. Thus, to a large extent they were left with the image of Romania in 1989 or 1990. The necessary conclusions have to be drawn and a special effort must be made to inform the members of the U.S. Congress about the trend of democratic changes in Romania.

The Ministry of Foreign Affairs greets the unequivocal position adopted by the State Department. Considering that the 27 September elections were generally free and correct, it stated on 30 September: We hoped that Congress, which postponed the examination of the most-favored-nation status until after the elections, will recognize this significant step in Romania's transition to full democracy and approve the MFN status this year.

This vote of the House was a disappointment.

The Ministry of Foreign Affairs greets the State Department statement in the sense that it will continue to explore ways and means of supporting Romania's progress toward full democracy, reform, and market economy. Despite the political and economic handicap that the nonratification of the Romanian-American trade accord by the U.S. Congress creates, the Ministry of Foreign Affairs of Romania reaffirms the determination of the current government of Romania—as long as it is in office—to continue to pay the greatest of attention to relations with the United States and their normalization and to building special relations of partnership with the United States based on common interests and the traditional friendly feelings harbored by the Romanian people toward the United States, the statement by our country's Ministry of Foreign Affairs, which is dated 30 September 1992, concludes.

Iliescu Blames Anti-Romanian Lobby

AU0110201692 Bucharest Radio Romania Network in Romanian 1800 GMT 1 Oct 92

[Text] In a statement regarding the negative vote by the U.S. House of Representatives in connection with the ratification of the Romanian-American Trade Agreement, thus again postponing the most-favored-nation

[MFN] status for Romania. President Ion Iliescu assessed that this vote—three days after the 27 September elections—prolongs the discrimination to which Romania is unjustly subjected. It is the result of a new move by the anti-Romanian lobby in the United States, headed by the rather well-known Congressman Tom Lantos, who—as he stated on 29 September—led the campaign against ratification of the Romanian-American accord, Romania's president said.

In his statement, Mr. Ion Iliescu recalled the efforts made by the U.S. Administration, primarily by the State Department, to ratify this accord, as well as the letter sent on 29 September by Under Secretary of State Lawrence Eagleburger to Congress stressing the need to ratify the accord and grant MFN status to our country. President Iliescu also mentioned the action undertaken by Congressman Tom Lantos, namely the letter sent to the House of Representatives, which accuses Romania of seriously violating civilian and human rights.

Mr. Ion Iliescu emphasized that, unfortunately, the congressmen were influenced by the positions held by Tom Lantos and ignored the information provided by the State Department in connection with developments in Romania. The negative vote by the U.S. Congress, Romania's president said, causes bitterness because it offers no support for the political forces in Romania who are making great efforts to consolidate democracy and continue the economic reform. He stressed that all important political forces favor the granting of the MFN status and have worked toward this aim by using their own ways and means.

Mr. Ion Iliescu also stressed that it is necessary for the Romania Government to pay greater attention to the complex decisionmaking process in the United States and to try to ensure a more comprehensive information on Romanian realities not only for the administration but also for Congress, which is much more sensitive to mass media reports that are often biased and lack grounds. Stressing that this negative vote is at variance with the friendly feelings harbored by the Romanian people toward the American people, Romania's president expressed the hope that this does not represent the last word by the United States and the conviction that the current government, as well as the government that will emergence in the wake of the 27 September elections, will continue to pay the greatest attention to completely normalizing Romanian-American relations.

Officials View Rejection

AU0110223492 Bucharest ROMPRES in English 1940 GMT 1 Oct 92

[Text] Bucharest ROMPRES 1/10/1992—To grant the most-favoured-nation [MFN] status is United State's business, stated Mr. Victor Surdu, president of the Agrarian Democratic Party of Romania (PDAR), to a ROMPRES reporter. If the Americans considered that so far we had not met the demands for giving us this status back I think we should reconsider this matter together. He specified he was surprised at the assurances given by the delegation of the Democratic Convention of Romania and the Ministry of Foreign Affairs, according to which we were to get the MFN status back.

In a statement for ROMPRES national news agency, Senate President Alexandru Barladeanu said:

"The news about the vote by which the U.S. Congress refused to grant the MFN status to Romania was and was not a surprise for me. It was a surprise because I do not know exactly the reasons for which the negative vote was given at a time when it could make the impression that the decision of the U.S. Congress was a consequence of the results of elections in Romania, implying that the Americans did not like them. This might lead to the conclusion that we should elect by their tastes, and this is where I am surprised. On the other hand, it was no surprise for me because I know that the members of the Congress are not familiar with real facts in this area of Europe, and particularly Romania. Anyway, the Romanian people will not perish without the clause."

Press Reacts to Decision

AU0210104792 Bucharest ROMPRES in English 0958 GMT 2 Oct 92

[From the press review]

[Text] Bucharest, ROMPRES 2/10/1992—"The U.S. Congress has misvoted" is the headline under which daily ADEVARUL considers in its editorial as "a mistake, a grave mistake done by the American Congress the turning down of the executive proposal that Romania be granted the most favoured nation status." "Maybe even the White House's decision to forward the respective proposal right at the time of elections in our country was not the best choice," the paper assesses, adding that "one can hardly explain such a decision without running the risk of enhancing the feelings of frustration and bitterness the Romanians have had after December 1989 when they have felt for the second time big America's indifference and contempt." The author of the commentary disapproves of "the unpardonable interference in the course of elections for, by delaying last week a decision on the most-favoured-nation [MFN] status, claiming that a favourable vote on the eve of the elections would be to the advantage of the incumbent president, the congressmen stepped from bad to worse. We would not tell who will be favouring this brutal and stupid no, before the second presidential ballot, now that the political fever is mounting, but even a child can see that the effect will be just the opposite of the subtle Capitol jugglers' expectations.

It is now that the American Congress will really influence—and decisively at that—the election returns. And it will thus assume heavy responsibility." The paper also shows that "we are obviously witnessing an act of flagrant manipulation of the U.S. Congress by a mad anti-Romanian lobby."

ROMANIA LIBERA writes in a commentary entitled "The MFN Status? Seek and Hide," that "because of this U.S. decision the reform in Romania is in serious danger." "True, the paper adds, the office of the undersecretary for political affairs of the U.S. Department of State Secretariat issued a press release whereby the Bush Administration deplores the chamber's decision, which it considers as dismay. But this document could only be a regret and an attempt to cushion a real political failure of the president. Moreover, a resumption of the debates before next spring is out of question. The American Congress is in its last week of existence in its current form. Besides, there are also the presidential elections to consider, that might confront Romania's new government with new American officials that might favour a quite different position from the current attitude. Anyway, unfortunately nothing entitles us to hope for the better. As long as Romania is dominated by a power suspected to be cryptocommunist, we cannot afford optimistic forecasts," the paper writes.

Daily DIMINEATA thinks that "the House of Representatives of the U.S. Congress did something we frankly did not expect considering the latest American statements according to which, once the Romanian-American Commercial Agreement concluded the granting to Romania of the MFN status was just routine. The granting of the status had been discussed by the U.S. Congress also a few weeks ago, but the debate was postponed until after the September 27 elections in Romania which the U.S. considers to be very important. And, although the elections were free and fair, the status was denied to us, which proves that the Americans did not intend to give it to us at all. The gesture is, however, blamable as it betrays not only unjustified prejudices about our country but also ill will." To condition the granting of the MFN status means gross interference in a country's domestic affairs. And to even justify such conditioning is more than cynical. Second, denial of the MFN status a few days after the candidate Washington favours has lost the presidential elections demonstrates that the U.S. is directly involved in the elections in our country. The denial of the status will boomerang on those who manipulated in order to turn it into an instrument of persuasion in favour of the 'key' (the electoral sign of the Democratic Convention). The electorate will now rally around those who really wish their good.

The Americans believe they have slapped us in the face. We will not slap them back but we will react as they deserve. We will choose a president we want and not one which fits in their criteria of democracy. A democracy in which the right of force often replaces the force of law, in which the interference in the domestic affairs of the others is a prime preoccupation," the paper concludes.

NATO Delegation Holds Talks, Meets Officials

AU0210085192 Bucharest ROMPRES in English 1817 GMT 1 Oct 92

[Text] Bucharest ROMPRES, 1/10/1992—The Euro-Atlantic Center in Bucharest was the host, Thursday, 1 October, of a round table occasioned by the visit to Romania of a delegation of the Committee for Security and Defense of the North-Atlantic Treaty Organization Assembly [NATO], headed by Karsten Voigt [name as received], chairman of the committee.

The topics approached regard the NATO's role in the context of the changes underwent by Eastern Europe and the whole world, as well as the necessity of extending Romania's partnership and cooperation relations with the North-Atlantic alliance and its member states.

Karsten Voigt, chairman of the NATO Assembly Committee for Security and Defense, stated at the Thursday, 1 October meeting with Romanian President Ion Iliescu at the Cotroceni palace, that the NATO delegation's presence in Romania was an expression of the NATO's solidarity with the democratic process in Romania.

The guest showed that the cooperation between NATO and the Romanian parliament was following a normal course and specified that a more intensive pace of this cooperation was strictly linked to Romania's integration in a network of cooperation with all the European institutions.

Concerning the recent elections in Romania, Mr. Voigt underlined that NATO would not decide upon the result of the elections and respect the choice of the Romanian people: "We must cooperate with Romania and with its democratically elected representatives."

Romanian Minister of Foreign Affairs Adrian Nastase, received Thursday, October 1, the delegation of the Defense Planning Committee of the NATO Assembly led by its chairman, Karsten Voigt.

The Romanian minister of foreign affairs voiced Romania's special interest in integrating itself in the European structures—in order to cooperate with NATO and the Western European Union—and in developing partnership relations with these bodies. Romania's integration in the European structures can favor the democratization of the Romanian society, the conclusion of the period of transition. Romania's isolation can only have a negative influence on these processes, added Mr. Nastase.

The Romanian minister mentioned that Romania was a loyal partner as for the observance of the UN embargoes on Iraq and Yugoslavia, despite the economic difficulties deriving from them. The monitoring of the said embargoes jointly with international bodies favors the cooperation between Romania and these organizations.

The president of the Romanian Senate, Alexandru Birladeanu, received Thursday, October 1, the delegation of the NATO Defense Planning Committee headed by the committee chairman, Karsten Voigt.

Issues were tackled on a possible expansion of the cooperation between the Romanian legislative forum and the inter-parliamentary body.

Attending was Oliviu Gherman, head of the delegation of the Romanian Parliament to the North Atlantic Assembly.

Constantinescu Demands 'Fair' Presidential Runoff

AU0110224092 Bucharest ROMPRES in English 1915 GMT 1 Oct 92

[Text] Bucharest ROMPRES 1/10/1992—The candidate of the Democratic Convention of Romania for president, Emil Constantinescu, assesses that the vote, the election campaign proper, and the polling operations proceeded in good conditions. He also shows in a statement released on October 1 that, while centralizing the election returns at the Central Electoral Bureau's headquarters, certain elements, odd in the least, came up which make him think "there are objective reasons to question the veracity of the data supplied so far."

He asks for an immediate arbitration of the Constitutional Court, in the hope that that institution will fulfill its mission under the Election Law and will watch over a fair run of the presidential ballot.

Christian Party of Justice Merges With FDSN

AU0110225092 Bucharest ROMPRES in English 1838 GMT 1 Oct 92

[Text] Bucharest ROMPRES, 1/10/1992—The central steering board of the Democratic National Salvation Front (FDSN) writes in a communique sent to ROMPRES that "the steering committee of the Christian Party of Justice (PCD) has taken the decision to join FDSN." The communique specifies that preliminary talks are in view between the two political parties.

PCD has made the decision to withdraw from the United Democratic Convention [alliance of minor political groupings], one of the three coalitions that ran in the recent general elections.

Low-Calorie Consumption Termed 'Alarming'

AU0110121392 Bucharest ROMPRES in English 0916 GMT 1 Oct 92

[Text] Bucharest, ROMPRES, 1/10/1992—The per capita average consumption of calories in Romania dropped to a record low level of 69.5 per cent in the first half of this year. "It is alarming and we cannot stay indifferent because this influences the biological stock of our people", told daily ADEVARUL Professor Iulian Mincu DSc.

FAO [Food and Agriculture Organization of the United Nations] surveys show that the caloric value of vegetal origin is up to 90 per cent in the developing countries because of poverty. In Romania the food consumption comprises 76.6 per cent calories of vegetal origin and only 23.4 per cent of animal origin, Professor Mincu said, adding that statistics place Romania 24th in the European consumption of animal proteins, much below the consumption of the other countries in the neighborhood. As for the average per capita meat consumption, Professor Mincu said: "as compared to the per capita 61 kg average annual consumption in 1990, the year 1991 recorded an average of 54.1 kg and the statistics for the first quarter of 1992 point to an average consumption of about 30 kg."

"This is simply an economic situation", Dr. Mincu said, "the shock therapy in the economic changes has had a toughest impact on the population's health condition, especially on that of the disadvantaged strata: pensioners, unemployed, big families with small wages".

Izetbegovic: Sarajevo To Be 'Unblocked Soon'

LD0110223192 Belgrade TANJUG in English 2041 GMT 1 Oct 92

[Text] Brdo Kod Kranja, Oct 1 (TANJUG)—Leader of the Bosnian Moslems Alija Izetbegovic said on Thursday [1 October] Sarajevo, the capital of the war-torn former Yugoslav Republic of Bosnia-Hercegovina, would be unblocked soon.

Izetbegovic told a news conference after the talks with the leadership of the former Yugoslav Republic of Slovenia the main course of a military operation "is being carefully prepared." He said the operation would be carried out "unless a political solution is found soon."

Izetbegovic and Prime Minister of the Moslem Government Jure Pelivan met with Slovenian President Milan Kucan and Prime Minister Janez Drnovsek to discuss "political, economic and military cooperation," it was announced.

Kucan told reporters that the Slovenian leadership supported the current diplomatic activities of the Bosnia-Hercegovina authorities. He said the organization of Bosnia-Hercegovina could be decided only by the republic's three constituent peoples. Neither Belgrade nor Zagreb can influence that matter, he added.

Bosnia-Hercegovina has for six months been the scene of a civil war between Moslems (42 percent of the republic's population) and Croats (17 percent) on one side, and local Serbs (32 percent) on the other.

Drnovsek said the arms embargo against Slovenia hampered military cooperation with Bosnia-Hercegovina, the possibility which was not mentioned in earlier contacts between the two republics' representatives.

Slovenia has a strong military industry. After its secession in June last year, the former Yugoslav People's Army left behind large quantities of arms.

Drnovsek said the Slovenian and Bosnian defence ministers continued the talks on military cooperation.

Karadzic on Steps To 'Demilitarize' Sarajevo

LD0210023292 Belgrade TANJUG in English 0007 GMT 2 Oct 92

[Text] Geneva, Oct 1 (TANJUG)—President of the Serbian Republic in Bosnia-Hercegovina Radovan Karadzic said on Thursday [1 October] night intensive consultations were under way between co-chairmen of the Geneva Conference Cyrus Vance and Lord Owen, and the three warring sides in Bosnia-Hercegovina to start negotiations on the demilitarization of Sarajevo and cessation of all hostilities.

Karadzic told reporters he had joined the consultations after his return from Geneva two days ago, adding that 'new steps were made to demilitarize Sarajevo.' The demilitarization plan was disclosed by Lord Owen, at a news conference following the Cosic-Tudjman talks on Wednesday [30 September].

'We are very concerned about the fate of people in towns of the former republic of Bosnia-Hercegovina,' said Karadzic.

'Our second concern is how to open the towns in which Serbs are being held in ethnic detention. We must protect Serbs in towns and cities in which they have their communes and suburbs, such as Sarajevo,' Karadzic set out.

He cited Gorazde as the latest example of terror against Serbs in Muslim-controlled towns. He said the Serb forces unblocked Gorazde to create favourable conditions for the London Conference. However, he added, Muslims began terrorizing Serb civilians as soon as the Serb army withdrew, killing over 100 people in the town alone. They also razed 11 villages near Gorazde and expelled over 3,000 Serbs from their homes, he said.

According to Karadzic, Sarajevo could be demilitarized in several weeks. However, he said, 'the crucial question is to work out technical plans for the protection of people.'

Under the plan, the delegations of the three sides in Bosnia-Hercegovina agreed to start negotiations on technical details, with the participation of military commanders and local authorities and under supervision of the U.N. Protection Force (UNPROFOR) and the Geneva conference.

Commander States Hercegovina Corps Goals

LD0110181992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1430 GMT 1 Oct 92

[Excerpts] Bileca, 1 Oct (TANJUG)—The goal of the Hercegovina Corps of the Serb Republic's [of Bosnia-Hercegovina] army is to reach the left bank of the Neretva river and the border with Croatia and to mop up the Drina River basin, Colonel Vlado Spremo, the commander of this corps, told a news conference held on the first anniversary of the war in this area.

According to Spremo, one of the goals has recently been accomplished—the linking-up of the Serb units and the creation of an integral front from Visegrad to Plat near Dubrovnik, with a total length of 560 km, by liberating the area of Tjentiste and the Gacko- Foca road. The mopping-up operation in the wider area of Tjentiste, Volujak, Zelengora, and Trebave is in progress in order to secure the security of the territories behind the front lines, he said.

According to the command of the Serb Republic's army, 65,000 soldiers of the Republic of Croatia are deployed in Bosnia- Hercegovina; there are 31 brigades, 11 regiments, and seven battalions, and most of these units are in Hercegovina. According to Colonel Spremo, this is the reason such fierce battles were fought in the past few

months around Trebinje, between Mostar and Nevesinje, and around Stolac and other areas. Now, he said, there is no more doubt about who is the aggressor and who is the defender in these areas.

Today it was stated for the first time that during the past year around 700 [Serb] soldiers from eastern Hercegovina were killed and 1,200 wounded. [passage omitted]

Commenting on the latest agreement, under which the Federal Yugoslav Army will withdraw from Cavtat, Konavli, and Prevlaka by 20 October, Colonel Spremo said: "I hope a political solution will be found for all of this. If the withdrawal is carried out, we will protect our part of the border. We have taken all necessary measures to resolve this in a painless manner".

Commander Urges Army's Quick Transformation

AU0210082492 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 1 Oct 92

[Text] A meeting entitled The Former Experiences and Tasks in the Organizational and Formal Upgrading of the Bosnia-Hercegovina Armed Forces was held at the Headquarters of the Supreme Command of Bosnia-Hercegovina Armed Forces yesterday. We are presenting excerpts from the introductory speech by Sefer Halilovic, supreme commander of the Headquarters:

We are currently facing a dilemma: we will either quickly form a modern and efficient army that will be able to confront successfully this technically far superior enemy and pledge ourselves, as supreme commander and company commanders, to develop new forms of combat, including ambushes, assaults, sabotage, attacks on the enemy's flanks and rear, as well as other forms of guerrilla warfare, or we will drown in our own quagmire, caused by being in various small groups, and even smaller squads and detachments, special units of all types, military police, and war profiteers who are out to smuggle, loot and rob, and every other kind of negative activity and intolerable elements which are accompanying this great national liberation struggle of ours. [sentence as heard]

Sefer Halilovic said the following about the most pressing tasks of the armed forces:

The Bosnia-Hercegovina Army must unite all our armed citizens under one command and one flag. We, sitting here, and all who are in command of these brave people, must bear in mind that these are mostly patriots who have armed themselves, but who now demand from us that we establish firm military discipline and create a real army out of them. They know that once this is achieved, we will quickly defeat the enemy, while their families will be safer from the street gangs that are harassing them, while they themselves are fighting on the front lines day and night. What is even more tragic is that such members of the Muslim, Croatian, or some other mafias are getting very prominent treatment in some influential media.

Sefer Halilovic further stressed:

We have already taken a great step into the final stage of the formation of the Bosnia-Hercegovina Army by forming the Sarajevo Corps and issuing an order on the formation of another four infantry corps on the territory of our country. With the creation and development of an air force and antiaircraft defense capability, this process is in its final phase of realization. The people and the fighters have generally embraced it and nobody can now stop it, regardless of resistance offered by some groups and individuals, for whom the war and its misfortunes have served as a means of obtaining great profits, power, and pleasures such as they have never enjoyed before. However, we promise them that they will lose all of this very quickly.

From all this it obviously follows that we do not have much time, that we must complete the process of creating the army very quickly, introduce military discipline and military relations, and clear from the ranks those who will cost us our heads with their unscrupulousness. We must also find a way to respond to the fundamental and pressing question as to how to lift the blockade of Sarajevo and liberate the whole republic.

UNPROFOR Accused of Assisting 'Slaughterers'

LD0110135292 Belgrade SRNA in Serbo-Croatian 1200 GMT 1 Oct 92

[Text] A massacre of Serbs, similar to that which took place in 1941 in the Una Valley, continued in Bihac on 30 September, the 2nd Krajina Corps Information Service told us. In Bihac, between 130 and 150 civilians of Serbian nationality, this town's citizens, were slaughtered in the most bestial way in the course of 30 September alone. Some UNPROFOR [UN Protection Force] members were also among those who witnessed the perpetration of many of these crimes. Serbian military sources have learned from some 10 Serbian refugees who found refuge in Lika after being forced into fleeing, aboard a UN peace force personnel carrier, by the Muslim criminals. The Serbian refugees from Bihac are enraged by the UNPROFOR members because, as they claim, the UN representatives are assisting the Muslims in their massive extermination of Serbs while doing nothing to secure the release from Bihac of the 2,000 civilians of Serbian nationality who have for weeks been left at the mercy of Izetbegovic's and Abdic's slaughterers, the 2nd Krajina Corps Information Service reveals in its latest report.

Serb Official Denies Claims of Ethnic Cleansing

LD0210091492 Belgrade TANJUG Domestic Service in Serbo-Croatian 0036 GMT 2 Oct 92

[Text] Pale, 2 Oct (TANJUG)—As soon as we were informed about attempted expulsions of several citizens

of the Muslim nationality from the Serb settlement of Grbavica, the officials of the Serb Republic (in Bosnia-Hercegovina) reacted urgently, the Presidency of the Serb Republic reveals. For this reason, Biljana Plavsic, member of the Presidency of the Serb Republic, visited the settlement of Grbavica and the Serb municipality of Novo Sarajevo.

A statement carried by SRNA on 1 October stresses that the facts have been established in contacts with municipal representatives. "This was not a case of ethnic cleansing of Grbavica, from which the official authorities and bodies of the Serb Republic distance themselves. This was a case of some groups arbitrarily trying, through expulsion of Muslim citizens, to pressurise the Muslim authorities in former Bosnia-Hercegovina into implementing the conclusions of the London and Geneva agreement on free movement of civilians, which the Muslim side is not honoring."

The statement carried by SRNA says that they wanted to carry out in this way an exchange of Muslim citizens for captured Serbs, ethnic hostages in the Muslim part of Sarajevo.

All measures have been undertaken with the aim of preventing forceful movement of citizens from the Serb to the Muslim part of Sarajevo.

The Presidency of the Serb Republic, the statement says, "criticizes the UN Protection Forces for not condemning the Muslim side for genocide carried out against Serbs in Sarajevo, Bihac and some other towns of former Bosnia-Hercegovina."

Red Cross Evacuates Inmates From Serb-Run Camp

AU0110155992 Paris AFP in English 1515 GMT 1 Oct 92

[Excerpt] Zagreb, Oct 1 (AFP)—The evacuation of more than 1,500 civilian detainees from the Serbian-run Trnopolje camp in western Bosnia began Thursday [1 October] under the supervision of the International Committee of the Red Cross (ICRC), an ICRC spokesman said.

It is the first time an international organisation has been involved in such a major evacuation from a camp in Bosnia. The ICRC organised the evacuation of 68 injured and sick people from the camp on September 15. A convoy of 35 buses carrying the 1,560 detainees left the camp at 1130 A.M. (1030 GMT) Thursday under Serbian police escort.

It was accompanied by representatives from the ICRC, the European Community monitoring mission and the United Nations Protection Force (UNPROFOR).

At Bosanski Novi, the convoy crossed the border of the UNPROFOR- protected zone and it was due to reach Karlovac, 50 kilometres (31 miles) south of Zagreb, at 1830 (1730 GMT).

The United Nations High Commissioner for Refugees (UNHCR) was then due to take charge of the refugees and attempt to find homes for them in other countries.

The freed detainees, mostly men, have been assured that their families will be able to join them when accommodation has been found. [passage omitted]

Banja Luka Airport Receives Kerosene From Serbia

AU0110193192 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 1 Oct 92

[Report by Brcko Press Service]

[Excerpt] [passage omitted] The enemy air force disturbed the residents of the free Brcko territory on several occasions today. An air raid alarm was sounded on three occasions—at 1235, 1325, and 1545.

We are taking this opportunity to inform the Bosnian public that the chetnik aircraft at Banja Luka airport received the long-awaited fuel from Serbia. We do not know how Serbia manages to obtain the precious kerosene with the current embargo and present war conditions. However, we believe that the UN Protection Force, which operates on the territory of our sovereign country of Bosnia-Hercegovina, knows the answer to this.

Drnovsek, Sarinic Complete 'Very Difficult' Talks

AU3009165092 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 30 Sep 92

[Nadja Pengov report from Zagreb, including recorded statements by Croatian Prime Minister Hrvoje Sarinicic in Serbo-Croatian and Slovene Prime Minister Janez Drnovsek in Slovene]

[Text] [Sarinic] As you already know, we have being holding talks with the Slovene government delegation since 1030 this morning, that it, for nearly five hours. You can deduce from this that the talks have been very substantive and also very difficult. We faced each other as two independent and sovereign countries, and it is in this light that we are trying to resolve all the problems that are arising between two sovereign countries, which are also two neighboring countries, but which have had a lot of history in common, that is, recent history. Today, we have reached a minimum of understanding. We will also sign some agreements. However, what I believe to be the most important thing is that we have become better acquainted with each other and that we have created an atmosphere of, I would say, trust, although we have discussed serious problems. We have created an atmosphere of trust that will allow us to meet again in the near future and resolve more efficiently the problems that are arising and that exist between the two states.

[Drnovsek] I would agree with the assessment of Mr. Prime Minister Sarinic that the talks have been open, demanding, and useful for both sides. This meeting at the highest government level has taken place after a period of standstill in these contacts. I, therefore, believe that such a meeting has been extremely useful. It is useful that both sides have stated their views about the most pressing issues and that we are trying to find a way to resolve them in the future. I believe that the main characteristic of these talks is that we have based them on completely realistic ground, that we no longer discuss agreements that later cannot be implemented in practice. With regard to this, we have acknowledged the conclusion of the Croatian Government that the agreement on economic cooperation—as it was signed by both governments some time ago and also ratified by the Slovene Assembly—stands no chance of being ratified by the Croatian Assembly. Therefore, it has been agreed to resolve all open questions concerning economic relations in a new manner, departing from the present reality and present relations between the two countries. We have also agreed that regarding borders, a joint interstate commission will immediately start work. In the shortest possible time this commission will report to both governments and the work of this commission will form a basis for all future agreements and also for formal agreements concerning the border between the two countries. We have also agreed that contacts at all levels will continue, that the ministries will immediately initiate the work of expert groups, and that ministers of the departments where open questions exist will negotiate in the meantime. By the next meeting at the highest level we will try to resolve as many as possible of these issues.

[Pengov] These were the statements of both prime ministers. As journalists were allowed to ask some questions, let me add the following:

To the question as to what is meant by a minimal agreement, Mr. Sarinic answered that the Croatian side will draw a new proposal for the agreement on economic cooperation between the countries, and this will form the basis for all future agreements.

Regarding the Sentilj-Zagreb highway: The building of the highway is of great interest to the Croatian side, and bearing in mind the assurances that the highway is also in Slovenia's interest, Croatia expects that the Slovene Assembly will endorse it. Dr. Drnovsek added here that the position of the Slovene Government toward this issue is positive, that the Slovene Government has endorsed it, but that the matter is now being dealt with by a respected assembly commission.

Asked whether the Sentilj-Zagreb highway is directly dependent on the issue of sea borders, Dr. Drnovsek replied that the two issues were not linked, but that it is in the interest of both sides that the issue of borders be resolved as soon as possible. It is in the interest of Slovenia that the sailing regulations in Piran Bay remains as it is now. Mr. Sarinic supplemented the answer by saying that the interest of the Croatian Government is that both sides have control over sailing during the interrim period, that is, until the issue of borders is finally resolved. Dr. Drnovsek then stressed again that the present regulations should stay in Piran Bay.

They did not discuss land borders in detail today. The two sides will sign two agreements—the agreement on payments' operations and agreement on balance of trade [saldo] between the two countries.

Price Explosion Fuels Inflation

92BA1446B Ljubljana DELO in Slovene 18 Sep 92 p 4

[Article by Goran Moravcek: "The Low Wages Are Blocking Inflation the Most"]

[Text] From our correspondent—The increasingly lower buying power of the population, whose average wage amounts to scarcely 120 German marks [DM] per month, is for the time being the only serious obstacle to raging inflation. Because of the lack of money, there has been a decline in consumption, and consequently there has not been a shortage of goods in Croatia. September is supposed to be a critical period, since according to predictions by some analysts, this month inflation may exceed the prehyperinflationary 40 percent.

If that happens, winter in Croatia may be a real catastrophe. For the time being, the ratio between the German and Croatian currency has stabilized at the ratio

of 200 Croatian dinars for DM1, and this is at the same time also the clearest picture of the state of the Croatian economy. At the beginning of 1990, the average monthly wage was about DM1,000, but today it has decreased to about DM120. Back in January 1992, the average Croatian wage was DM175, and by April it had already decreased to DM140. These are the exchange rates in effect on the black market, which is also at the same time 5-10 percent more favorable than the exchange rates at banks.

The Croatian economy, which is troubled by war and at the same time has to take care of another half million refugees, along with this also has all the shortcomings of the former socialist system. Croatia is also in a sort of international financial isolation, since it has not become a member of the IMF. This is causing new difficulties for it in rescheduling foreign loans and obtaining new ones.

Before the elections of the republic president and the Assembly deputies, Croats did not feel the economic difficulties so much because of a "softer" monetary policy. In those days, employees' wages were increased to some extent, and some depositors were allowed to withdraw their foreign exchange savings from banks. Now, employed Croats have to pay for that generosity, since as early as the end of August there was a real price explosion. It is even being predicted that the German mark may soon be worth 270 Croatian dinars. For employees, and especially for retirees, this may be a step into even worse social poverty. It has been calculated that according to August prices, a four-member family would need 53,000 Croatian dinars or DM265 a month just for food, but many people cannot ensure this with their regular earnings. Will there be social upheavals because of this?

Views on this are extremely different, since there are no reliable indicators of social endurance. A considerable number of Croats, in fact, receive assistance from their relatives abroad, and there are also many people in these hard times who are supporting themselves with savings that they earned through tourism or agriculture. The ones in the most difficult position are city residents who do not have an opportunity to supplement their household budgets through agricultural work. For them, the August price increases—the price of rice rose by 220 percent, bread by 70 percent, and noodles by 69 percent—were a real catastrophe. At the beginning of this year, a kilogram of rice cost 69 Croatian dinars in Rijeka shops, but now it has become more than 513 percent more expensive. The price of flour has increased by 489 percent since the beginning of the year, lemons by 487 percent, bread by 415 percent.... The slowest increase has been in the price of eggs, which has "only" increased by 39 percent since January.

1992 Increases in Food Prices in Croatia

	January	July	August	January-August Difference
Bread	33	100	170	415%
Milk	50	100	130	160%
Rice	69	193	423	513%
Eggs	18	25	25	39%
Sugar	53	247	342	545%
Potatoes	30	99	106	253%
Mineral water	32	110	143	347%

Liberals Choose Convicted Spy for Candidate

AU2909191392 Ljubljana DNEVNIK in Slovene 26 Sep 92 p 4

[Unattributed report: "Dr. Ljubo Sirc Will Obviously Be the Candidate of the Liberal Democratic Party"]

[Text] Ljubjana, 26 September—Recently, we have witnessed all sorts of speculation as to who will be the presidential candidate of the Democrats, the Greens, the Social Democrats, the Liberal Democrats .... As regards the last of these, we even heard that they had chosen Veljko Rus or Tone Partljic. However, as we have learned, none of the names mentioned is correct, but rather the party will obviously (the final decision will be made in the coming week) opt for Dr. Ljubo Sirc (pictured here), a man who was sentenced to death at the Nagode trials in 1947 for being a British spy. Later, his sentence was commuted to 20 years' imprisonment. In November 1954, he was released and a year later he fled to Italy and from there to London. Dr. Sirc is currently a director of the London center for research into communist ideologies and a professor at Glasgow University.

Draft Law on Government Reorganization Adopted

92BA1446C Ljubljana DNEVNIK in Slovene 18 Sep 92 p 4

[Article by Roza Erman: "Easing Difficulties for People Along the Border"—first paragraph is DNEVNIK introduction]

[Text] The government on the laws on the government, foreign trade transactions, the hotel industry, and civilian invalids; exemption from import duties for crops from one's own fields on the other side of the Croatian border.

Ljubljana, 18 Sep—With the law on the government, the draft of which was adopted by the Slovene Government at yesterday's meeting, we will get a government formed in accordance with the constitution, and this law also constitutes part of the legislation needed for the elections. The law provides for 14 ministries, at most three deputy prime ministers, and three ministers without a ministry, i.e., without portfolio.

The Ministry of the Economy is supposed to combine industry and construction, small business and energy, trade, tourism, and the hotel industry; the Ministry for Veterans and War Invalids, for which a republic committee will be responsible, will be eliminated; and legislation and the Security-Information Service will be special government secretariats. The law will designate the procedure and period for assembling the government, and the responsibilities, role, and tasks of a secretary general in a ministry, which will be the highest body. Special government regulations will designate the responsibilities and rights of the Ministry of Finance.

The complicated procedures in doing business with foreign countries will be simplified by the law on foreign trade transactions, the proposal for which was adopted by the government yesterday. As stated by Vojka Ravbar at a press conference after the government meeting, the law eliminates several documents and reduces the numerous definitions, and it also does not limit the age of imported automobiles. Consequently, you can also import an old car, and regulations based on this law will designate what kind of quality control and what kind of testing will be needed for such a car, just as this is regulated in other countries.

Three government decisions yesterday were explained by Dr. Dimitrij Rupel. In accelerated proceedings, a law is to be adopted on implementing the UN resolution, to allow the sanctions to be effective in the event that the embargo against Serbia and Montenegro is not observed. To be sure, Slovenia announced the embargo with a decree in URADNI LIST, but it did not have punitive regulations; it could only warn violators, and, for example, turn back goods arriving at our border.

Even if the initiative that the government approved for coordinating declarations between the EC and Slovenia is only a sort of addendum on political cooperation for the economic cooperation agreement, the measure that regulates procedures in border traffic between Slovenia and Croatia is welcome to the people along the border. As Minister Rupel stated, the government wants to use this unilateral measure—since Croatia has not adopted anything similar—to ease the difficulties of people along the border. Because of the Croatian duties on goods imported from Slovenia, and the Slovene duties—though smaller ones—on goods from Croatia, what is in fact happening is that people along the border, who have woods and fields on the Croatian side, are paying import duties on what they grow on their own land.

The government measure exempts border residents in a 10-kilometer border zone from paying duties on crops and certain products, machines, equipment, forest plants, lumber, livestock.... With respect to domestic animals, no particular sanitary and veterinary inspection is necessary, but for animals whose importation may be prohibited, appropriate veterinary inspection is necessary. The decree specifies precisely what these border residents can bring across duty-free, how, and with what documents. Unfortunately, Croatia, which as Dr. Rupel stated is not exactly swift to reach agreements, has not approved such a measure for border traffic.

Yesterday the government also adopted a proposed law on the hotel industry, to improve the quality of our hotel facilities. In three months, technical regulations are also to be prepared for mandatory classification, the opening time, and the degree of education. According to Minister Janez Sirse, hotel employees will not be limited too strictly with respect to working hours, and the decisions will be left more to desires and needs.

A proposal for issuing a law on civilian war invalids, with the draft adopted yesterday by the government,

gives identical rights to civilian invalids and military war invalids, and also includes civilian invalids after last year's war.

Unemployment Increases; Production Decreases

92BA1446A Ljubljana DELO in Slovene 18 Sep 92 p 2

[Article by Ilja Popit: "More Than 100,000 Unemployed"]

[Text] *In July, unemployment in Slovenia increased by 4.8 percent; in August, industry produced 7.2 percent less than in July.*

Ljubljana, 17 Sep—The revival of the industrial part of the economy that could be anticipated on the basis of the July data did not continue in August. In fact, in August 1992, according to data from the Slovene Statistics Institute, Slovene industry produced 7.2 percent less than in July 1992, and 19 percent less than in August 1991.

Although August is a vacation month, this reduction was so strong that the level of industrial production, which during the first seven months was still 15.1 percent below the first seven months of 1991, has already declined in the first eight months of 1992 to 15.6 percent below the first eight months of 1991.

However, if we look at the rates of the continuing activity of industrial production (the trend), which the Institute calculated according to a model from the Law School's Economic Institute, this repeated scraping against the "bottom of the crisis" could nevertheless be considered encouraging. Specifically, this recurring pattern of deteriorations after periodic improvements is increasingly weakening. Thus, from the 2.1 percent monthly decline that existed between January and June, the decline has slackened to 0.2 percent per month. In June, the decline increased to 1.4 percent at the monthly level. In July, there was 0.8 percent growth according to this calculation, but it was followed by a decline again in August—although a smaller one—it is almost half the size of the one in June, since it is 0.8 percent.

Of course, the crisis will be over when sales become more active. There is still no up-to-date data on exports, and consequently the August transactions with the world and the south are not yet known. According to an estimate, retail commercial sales in Slovenia increased by 1 percent last month, and wholesale sales, according to that estimate by the Institute, declined by as much as 6 percent in July. On the other hand, industrial enterprises are reporting to the Institute about being better supplied with operating loans and also about better payment of bills, although still only a fifth of industry or even less is satisfied. In spite of the increase in those satisfied with respect to money, however, the level of those satisfied with orders for the Slovene market has not increased for the third month in a row now.

Stocks of finished Slovene industrial products increases to some extent in August, since they were 0.7 percent higher than last August's, and 0.5 percent higher than this July's.

In July, industry again intensified the decline in the number of employees, since it had 0.7 percent fewer employees than last July, namely 286,187. With so much of a decline in production, even this sharper curtailment in employment did not keep labor productivity from declining again, since it was 5.7 percent lower. At the same time, the dismissal of employees is increasing overall unemployment. Thus, in July unemployment in Slovenia increased by 4.8 percent, and crossed the threshold of 100,000. There have already been 101,821 unemployed people registered at employment offices.

Federal

UN Official Approves Tudjman, Cosic Accord

LD0210021492 Belgrade TANJUG in English 2135 GMT 1 Oct 92

[Excerpts] Belgrade, Oct 1 (TANJUG)—Deputy Commander of the United Nations Protection Force (UNPROFOR) for Yugoslavia Cedric Thornberry stated on Thursday [1 October] that insanity was slowly subsiding in relations between Yugoslavia and Croatia.

He told a news conference in Belgrade that, at least as far as relations between these two countries are concerned, peace was gaining a chance as was shown by a meeting between the presidents of Yugoslavia and its seceded republic, Dobrica Cosic and Franjo Tudjman, in Geneva on Wednesday.

He said the two presidents' talk was an exceptional success.

Thornberry was much less optimistic as to the situation in the ethnic war-torn ex-Yugoslav republic of Bosnia-Hercegovina where, as he put it, the ray of hope called "peace" was still too far away.

Thornberry assessed that demilitarization and ceasefire were necessary before additional UNPROFOR troops arrived in Bosnia-Hercegovina ridden by a six-month-old war between local Serbs on one hand and the local Croats and Moslems on the other.

He recalled that the UNPROFOR commander for Bosnia-Hercegovina, French General Philippe Morillon, had several times held talks with Serb leader Radovan Karadzic and Moslem leader Alija Izetbegovic concerning the location of the peace keepers' H.Q. in Sarajevo.

He was content with the fact that 2,000 Croat refugees gave up their idea to return by force to their homes in sector east, protected by the U.N., and suspected that the whole idea was stage managed. He said that the engineers of such an insane action had wanted to risk the lives of desperate people, having thus seriously jeopardized the careful and difficult work of the UNPROFOR.

Thornberry voiced content with an accord reached by Cosic and Tudjman about the soonest possible mechanism to be applied for the safe return of all refugees in sector west.

In predominantly Serb-populated areas within the administrative borders of Croatia, Serbs last year proclaimed their republic in protest over Croatia's secession and the reduction of their status of a constituent nation to that of a national minority. In these areas there are four U.N.-protected sectors (UNPAS).

Thornberry said that Presidents Cosic and Tudjman in Geneva on Wednesday achieved what he called a very significant accord to demilitarize Prevlaka, a peninsula on the Yugoslav-Croatian Adriatic border. [passage omitted]

According to the demilitarization agreement, the Yugoslav Army should withdraw from the Cape by October 20. In hoping that this withdrawal would foster stability in the area, Thornberry announced that the U.N. Forces would be deployed on Prevlaka eight days after the withdrawal of the Yugoslav Army. He said in conclusion that after long and difficult efforts there was a trace of light beginning to show up at the other end of the tunnel.

Montenegrin President Supports Army Withdrawal

LD0110195692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1804 GMT 1 Oct 92

[Text] Podgorica, 1 Oct (TANJUG)—Momir Bulatovic, president of the Montenegrin Presidency, said today that the Geneva agreement on Prevlaka enables arms to fall silent and diplomacy to speak.

"This is a general agreement supported recently by the Montenegrin Presidency. It paves the way for concrete solutions to be found through further negotiations, solutions which will enable peace to return to this soil and which will put into focus realistic political interests and diplomatic activities leading to a just and comprehensive delineation between the Federal Republic of Yugoslavia and the Republic of Croatia," Bulatovic said in an interview for Montenegrin television.

Bulatovic added that it is impossible to make decisions about Prevlaka without Montenegro, primarily because, as he put it, no leader from this republic harbors any illusions that he has powers to make decisions on his own without respecting the vital interests of his citizens.

"The process of demilitarization, which is now underway in line with our plan, the plan proposed by the FRY Army, gives full guarantees for the protection of our citizens' peace and stability within our sphere," the president of the Montenegrin Presidency said. This decision could cause considerable concern and anxiety among our citizens, but our potentials enable us to secure peace and stability, Bulatovic said, stressing that he has in mind the Army, and above all patriotic citizens.

When we have to chose between two options—whether to chose peace or war to protect our own interests and insist that Prevlaka stays within Montenegro—any reasonable person would opt for a peaceful diplomatic road. There are firm convictions that this road will soon bear fruit and bring about a just delineation in that area, Bulatovic said.

Commenting on statements made about Montenegro, including those saying that it has "betrayed" or "left in the lurch" some people, Bulatovic stresses that such statements are hurtful and that it is quite clear that the vital interest of Montenegro and the FRY is to help the

just struggle of the Serb people in Bosnia-Hercegovina. "This has been done throughout history, and through past centuries, and this will always be done," the president of the Montenegrin Presidency said.

Serb Radical Leader Condemns Cosic, Panic

AU0110160992 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 1 Oct 92

[Text] President Dobrica Cosic does not have the constitutional right to make agreements with Franjo Tudjman. This was stated, among other things, by Vojislav Seselj, president of the Serbian Radical Party, at a news conference. Olivija Rusovac has the details:

[Rusovac] Prevlaka must not be abandoned at any price, even if this means a military confrontation, Vojislav Seselj told journalists, saying that his party will demand a discussion on Prevlaka in the Federal Assembly tomorrow.

[Begin Seselj recording] The Serbian Radical Party condemns the efforts of the federal authorities to hand over Prevlaka to UNPROFOR [UN Protection Force] units, because it holds the view that this is much more dangerous than the entry of the Croatian ustasha Army into Prevlaka. We hold the view that the president of the Federal Republic of Yugoslavia does not have the constitutional right to do what he did during the negotiations with Franjo Tudjman, president of the Croatian State. [end recording]

The Serbian radicals also condemned the behavior of the ruling party of Montenegro because it accepted the loss of Prevlaka. Commenting on Prime Minister Panic's visit to the United States, Seselj said that Panic has scored another success in his treacherous dealings, and that Panic's promise that we will receive oil was denied by the announcement of even more severe sanctions.

Parties 'Adversely' Assess Prevlaka Accord

LD0210023992 Belgrade TANJUG in English 0013 GMT 2 Oct 92

[Excerpt] Belgrade, Oct 1 (TANJUG)—Several opposition political parties in the Federal Republic of Yugoslavia (F.R.Y.) on Thursday [1 October] adversely assessed a Geneva accord on the demilitarization of Cape Prevlaka at the entrance to the Montenegrin Bay of Boka Kotorska, pointing to the anxiety among citizens because of an announced pullout of the F.R.Y. Army.

F.R.Y. President Dobrica Cosic and President of the ex-Yugoslav Republic of Croatia in Geneva on Wednesday signed an accord pursuant to which the Army of Yugoslavia should pull out by October 20 from Prevlaka, where U.N. observers would be stationed.

The uninhabited Cape Prevlaka is located at the entrance to the only bay in the F.R.Y. in which its Navy is based.

Cape Prevlaka, which has always been a naval base, remained within the administrative boundaries of Croatia when this republic seceded from Yugoslavia.

The Democratic Party of Montenegro pointed out that Montenegrins were upset over the announced withdrawal of the F.R.Y. Army from territories south of Dubrovnik (bordering Montenegro) and from Prevlaka because Croatia had hitherto broken all agreements, while neither had the United Nations been an efficient warrantor that what had been agreed would be effected. [passage omitted]

Panic Views UN Membership, Sanctions

AU0110215492 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 30 Sep 92

[Zoran Jevdjovic report on news conference by Prime Minister Milan Panic and Teodor Olic, Panic's adviser, at Belgrade airport on 30 September—recorded]

[Text] [Jevdjovic] In the statement he gave to correspondents gathered at the Belgrade Airport, Prime Minister Panic pointed out that the struggle for Yugoslavia's place in the United Nations will be continued. For the time being, the flag is still there—albeit the one with a five-pointed star—and a plaque with our country's name. This was achieved at the last moment after a lot of struggle, and the resolution on Yugoslavia has been reduced virtually to one paragraph on the failure to participate in the work of the UN General Assembly, although the world was, according to Panic, ready to throw us out of the World Organization. The federal prime minister assessed this to be a change in the UN stance on Yugoslavia and also emphasized a positive change in the attitude of the United States, the EC, Great Britain, and Butrus-Ghali toward our country. Panic says that the doors of the U.S. Senate and Congress have been opened and that Washington officially supports the new Yugoslav Government. The request has been filed for oil imports for humanitarian needs to be allowed and Panic is of the opinion that the request will be met in time—that is, before winter. A gradual lifting of the sanctions was also demanded, and the prime minister pointed out that the attitude of the U.S. press, particularly about the new Yugoslav Government, has changed considerably.

Panic then replied to questions asked by correspondents. This is what he said to a BORBA correspondent who asked him to comment on accusations made at his expense during his visit to the United States:

[Panic] It is best to reply philosophically. For you Christians—I do not know how many of you are Christians, and (?how many) believe in God, or Muslims, or other religions—there is a Christian saying which goes father, forgive them for they know not what they do.

I must tell you that there is some bad news as well. One of the problems is that aid to the Muslims from Muslim and other countries has been increased, particularly

military help. I am violently [preceding word in English] opposed to that. I explained at all places—in my speech in the United Nations, and wherever I could—I said that peace, that the situation of peace cannot be created by bringing more weapons.

[Jevdjovic] In reply to correspondents' questions concerning the Cosic-Tudjman meeting in Geneva, Panic said that he is certain that Cosic will make progress, particularly, as he puts it, in the philosophical sense on how to make peace with the Croats.

Speaking about sanctions—something that correspondents also asked him—Panic said the following:

[Panic] Some good news: We tried to remove the reasons for the sanctions. The good news is that much has been done, and many things (?are needed). For example, we still do not possess satisfactory proof for the United Nations that paramilitary troops from Yugoslavia are not traveling to Bosnia-Hercegovina. Even though I asked three times that the United Nations deploy observers on our airports and roads, they still have not done so. Therefore, they can still claim that we are doing so. Our government's position is that this is not happening. [Panic continues in English] The next one, which is very important, is that there are still reports from Yugoslavia which I (?have been) fighting of course on ethnic cleansing that is occuring in some places. Of course, the question of bringing Kosovo into the political life of Yugoslavia, which is my next problem, and the opening of the university in Kosovo, which we Serbs claim is open. It is just not open for Muslims and their language, so we have to deal [corrects himself] Albanians.

[Olic] Another question is that of ethnic cleansing, which unfortunately still exists in many places. We have to work on that as well.

[Panic, in English] All right, I said that we have to work on that. For instance, the situation such as the opening of the university for Albanians.

[Olic] The next question deals with Kosovo and the rights of the Albanian minority in Kosovo. We still have to work (?on that). I was told that the university in Pristina had been opened, but was not open for the members of the Albanian minority. We must work on that so that the university is open for them as well.

[Panic] I mean completely open. Of course it is open if they want to come. However, as 800 or 400 professors have been fired, we must see how we can get them back to work.

[Unidentified correspondent, in English with superimposed Serbo-Croatian translation] Mr. Prime Minister, would you please explain to us what is precisely contained in the change of positions of the United States and Great Britain, because we recently heard Minister Hurd and it does not seem that anything has changed?

[Panic, in English with superimposed Serbo-Croatian translation of the first sentence] I shall tell you. Give me my briefcase, my bag. I just read it on the plane, exactly what they said. Well, I think yesterday, Mr. Eagleburger, for instance, [Panic continues in Serbo-Croatian] Mr. Eagleburger held a news conference yesterday and [word indistinct] gave explanations on the American position. Of course.... [Panic speaks to a man who brings him a black briefcase] No, my big briefcase that I put.... The brown one. For instance, yesterday he said that he will support, or that he will not oppose, the resolution about oil. That is a great change. I think that he gave full support to the government three or four times over—to the new Yugoslav Government. THE WASHINGTON POST says that they want to be friends with the new Yugoslav Government, old American friends. I think that the political struggle has begun here. You all know that I have no other motives but to begin the democratization of Yugoslavia in the way I know how. I think that this is very important for our country. I want to see an economic recovery [preceding word in English] as soon as possible. We are in an economic tragedy. It is my responsibility to change that. As you all know, I am not the one who has brought on this tragedy. I am trying to change it. Of course, all my political enemies will say that I brought them this. They always say so. They are constantly using the terms of micro-economy, other economy. We are in a tragedy. That is Mickey Mouse. A new word in the Yugoslav language for those politicians that know no better. Then we shall call them and send them to Disneyland, because their place is there. There they can dream, lie, do whatever they want.

I think that the democratization has begun in Yugoslavia. It has begun with this speech because it is very open-minded [slobodan] and true.

[Unidentified correspondent] What about the British stand [words indistinct]?

[Panic] I also have, they have presented that exactly. For instance, speaking at the news conference, Mr. Hurd said that he fully assists and supports the government of the new Yugoslavia, that he will work on everything to support our steps in making peace and our programs, not only political, but also our economic programs, programs on human rights. He said this at the news conference. He also changed his speech in the United Nations and added a sentence or two. This does not happen very often that a secretary, particularly of Great Britain, changes his speech and adds something in order to say we—I think it was something to that effect—support the Yugoslav Government. One can see that these signs can be seen in many places.

Of course, they have their own elections, they have their own problems, so we must understand them. I do not believe that we have completely changed the situation in the world. We still must change the situation here. We must have democratic elections. We must have free press. Television must be divided. My first task will be to give Television Channel Number One to the Federal

Government, and the Channel Number Two to the Serbian Government. This is exactly what I told you before my departure, being angry for their telling things that are not true. This is done in a democratic system, but in an undemocratic system that is a lie and in a democratic system, when you can defend yourself, it is normal.

[Jevdjovic] After the news conference ended, Prime Minister Panic left the Belgrade airport, accompanied by Deputy Prime Minister Dr. Oskar Kovac.

Central Bank's Restrictive Effects Evaluated

92BA1454D Belgrade BORBA in Serbo-Croatian 1 Sep 92 p 13

[Article by T. Jakobi and M. Brkic: "Respect for All—Loans for No One"—first paragraph is BORBA introduction]

[Text] Since August, the National Bank of Yugoslavia [NBJ] has been preventing monetary dishevelment; the amount of goods on the market does not justify the current amount of dinars in circulation, says Dr. Stojan Dabic, the director of Investbanka; does the party structure of the federal government reveal the NBJ's monetary policy?

"Here you are: $30,000. Now give me dinars so that I can pay the wages."

"There isn't any cash, friend—call after Monday."

This conversation took place several days ago "behind closed doors" between a bank director and his colleague from a major Novi Sad enterprise.

A similar "monetary fever" three weeks ago shook dealers on the black market. On Tuesday evening, 18 August, the exchange rate of the German mark closed at 290 dinars, and anyone who thought of himself as "sharp" had pockets full of foreign exchange that evening. The mark was expected to rise to 350 dinars the next day. But on Wednesday morning, nothing happened.

The alternative markets spent the following weeks in a serious depression, so that business transactions were forcibly redirected toward "validating" diesel and gasoline coupons. And that has been the situation to this very day.

According to banks and the word on the street, the "culprits" in this general "pandemonium" are the new "political" course of the National Bank of Yugoslavia and certain new "guardsmen" at Topcider. In July (when Milan Panic was still only a candidate for prime minister), the average situation in giro accounts at 90 banks was 15.2 billion dinars. On 31 July, at the moment when the German mark reached 300 dinars, the average was 19.9 billion dinars. But on 8 August, when the new governor of the NBJ, Vuk Ognjenovic, was straightening out the houses on Bulevar Revolucije and in Topcider, the banks had 4.9 billion dinars at their disposal.

Panic for Stumbling

What happened to the 15 billion dinars? Monetary experts point to the NBJ decision to tighten up further, thus forcing commercial banks to "pack" their excess money in mandatory reserves. As recently as 1 July, the banks held only 4.8 billion dinars in these reserves, but by 17 August they had risen to 17.7 billion "immobilized" dinars. That same day, the Board of Governors met and decided to "pump up" the banks' mandatory reserves by another 6 billion dinars. The banks were also informed that the central monetary authorities would be supervising the use of prime-issue loans on a daily basis.

"These sanctions and blockades are worse than those imposed by the international community. Bad moves are being made, prime issue is being cut back, inflation is being artificially lowered, the exchange rate of the mark is being maintained unnaturally, and companies are shutting down for lack of fresh money. Serbia cannot withstand this. Just as the federal government does not recognize that we have 500,000 refugees. Someone has to withstand this. The banks are in the worst position because they cannot clear up their debts, a crazy race is beginning with savings and interest rates, and apparently the citizens will never withdraw their money from the banks. I think that the abolition of the National Bank of Serbia should not be allowed, because that is unconstitutional," said the owner and president of a major private bank, who wishes to remain anonymous for a little while longer.

The director of a social bank seemed to know that this sort of criticism would be heard, so that he recently stated that a serious differentiation has been made among Serbian banks and that fresh money from prime issue is received only by "political favorites." It is easy to find out who that means, the director in question alleges—all you have to do is look at who is offering what interest rates and how many dealers there are on the streets.

Favorites are rewarded according to a simple principle: At a sign from the republican leadership, the SDK [Public Auditing Service] has the opportunity to declare a particular bank solvent, even though essentially it is not. This makes it possible for the bank in question to "draw" cash from the National Bank of Serbia, while the dinars actually end up either in employee envelopes or in the pockets of street dealers. An example is the still-fresh story of the temporary Montenegrin "occupation" of Francuska Ulica in Belgrade, when 90 million German marks were allegedly "laundered" from Belgrade using that money, and with the approval of the Montenegrin political leadership.

"Strangler Versus Strangler"

Lately, there are increasing complaints that the National Bank of Yugoslavia is uncritically "strangling" the

economy. One slogan can be heard clearly amid the general chorus: "We want dinars." This quest for the local currency is hardly surprising, because on 29 June there were more than 300 billion dinars in circulation "in cash" that was literally wallowing in the streets. The largest part of this money was in so-called Serbia proper (200 billion), with 60 billion in Vojvodina, 40 billion in Montenegro, and four billion in Kosmet. A month later, the money supply in circulation had been reduced by 40 percent, and this trend continued in late August and early September (an exact percentage is still unknown).

"There are too many dinars in relation to the quantity of manufactured goods on the market, even many times more than what we need for current transactions," says Dr. Stojan Dabic, the director of Investbanka. "Those who assert that the quantity of dinars in circulation is small and that they must be printed 'as needed' want to cover the costs of war, high unemployment, and the general agony of our society by printing new money. They have no real sources for this. This nation must be aware that it is paying for the war and other hidden state spending through its standard of living. I am not opposed to having part of the state budget financed by prime issue, but for that amount of money that is given to the state it is necessary to reduce the number of dealers in other monetary channels."

There are experts who think that the National Bank of Yugoslavia could have achieved a restrictive monetary effect with fewer sacrifices, i.e., by not lumping together good banks and bad banks. In this way, it made it impossible for individual banks to keep even entrepreneurially capable enterprises afloat. The cause of this sort of behavior by the central monetary authorities and of the current intervention with the alleged shortage of dinars is simply a reflex of political friction in monetary affairs. In connection with this, some monetary experts point to the at least strange composition of the federal government, in which the ruling Serbian socialists are represented least of all. Instead of them, reformists and democrats prevail, with the support of "undefined" Montenegrins from the DPS [Democratic Party of Socialists].

The extent to which monetary policy will be permeated with politicking will be seen very quickly in the federal parliament. Due to many proposed refinements, the Law on the National Bank of Yugoslavia, which still enjoys priority in the parliamentary procedure (it is the key to the establishment of monetary order), has been shifted from the form of a "proposal" to the slow track and the form of a "draft proposal."

Is it possible that the Topcider printing press will take for a short mandatory vacation, just like the majority of Yugoslav enterprises? Or will we be seeing a bad reprise of the film "Time of Wonder," when the Partisan commissar shouts, "Tear it down!"

Serbia

Milosevic Forsees 'Relaxation' of Sanctions

LD0110205492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1419 GMT 1 Oct 92

[Text] Belgrade, 1 Oct (TANJUG)—"The relaxation and lifting of sanctions is a question of weeks, and no longer months," Serbian President Slobodan Milosevic stated yesterday at a meeting with the presidency of the republican trade union committee of employees in the metal production and processing industry of Serbia. This is how Aleksandar Pejakovic, the committee chairman, conveyed Milosevic's words at a news conference today.

During two-hour talks with President Milosevic, also attended by Radoman Bozovic, the president of the republican government, representatives of 400,000 metal industry workers acquainted the president and premier with their demands. They called for the lifting of the sanctions, speedy elaboration of a social program and law on lifting the tax burdens on industrial production to a balance of 70:30 in favor of the latter, the establishment of a law-governed state, and reduction in the number of bureaucrats.

The representatives of the metal industry workers were given a promise that by 10 October the Serbian Government will deliver a program according to which factories will work under conditions of sanctions, and that by then Premier Bozovic will organize a meeting between Premier Panic and the trade union of the industrial workers of Serbia. It was said that in the first phase the state administration will be reduced by 20 percent and in the next one by 40 percent.

In conclusion Pejakovic reported that the metal industry workers favor holding elections as early as possible. If the republican government does not fulfill its promises, they will call for its resignation. He also said the trade union of the metal industry workers is capable of organizing an all-out strike in 10 days, since "it has a reason" for it.

Government Introduces 'Tougher' Fuel Restrictions

LD0110160192 Belgrade TANJUG in English 1435 GMT 1 Oct 92

[Text] Belgrade, Oct. 1 (TANJUG)—The Government of the Republic of Serbia said on Thursday [1 October] that it would introduce even tougher motor fuel restrictions in October.

Motor vehicle owners will this month be entitled to between 20 and 25 per cent less fuel than in September, Assistant Minister of Trade Stojan Zdravkovic said at a news conference.

As part of an energy saving programme, the Governments of the Yugoslav Republics of Serbia and Montenegro in June introduced coupons limiting the amount of motor fuel for every vehicle owner. The decision came

after the international community imposed an oil embargo against the Federal Republic of Yugoslavia on May 30.

The monthly petrol quota for individual car owners in October will be 15 litres, down from twenty in September. Owners of taxis will receive coupons for 260 litres of fuel, instead of the 350 litres they got last month, Zdravkmvic said.

Farmers will be entitled to five litres of diesel fuel per hectare of land, and will be able to carry over any September coupons they might not have used.

These quantities, Zdravkovic said, will nevertheless not be sufficient for the needs of the agricultural sector.

Poverty, 'Epidemic of Misery' Reaching Serbia

92BA1454E Belgrade VREME in Serbo-Croatian 14 Sep 92 pp 13-18

[Article by Nenad Lj. Stefanovic: "Serbian Hunger in Serbian Stomach: Burkina Faso Is Far Away"—first paragraph is VREME introduction]

[Text] Besides an African standard of living, which has already become our reality, it is quite possible to expect that a solution to our misery will soon be sought in a Latin American self-service stampede similar to those seen in Argentina several years ago, when citizens left behind a wasteland, plundering everything that they found in their way.

At least over the past five years, since nationalist policies began to transform the former Yugoslavia into an estranged country with ruinous inflation, economists and sociologists at the end of each summer have regularly announced that fall and winter would be inflamed periods, explaining that we are only one step away from a genuine social explosion. At that time, the average Yugoslav is usually likened to a poor soul who falls from the top of an apartment building and only a fraction of a second before hitting the ground consoles himself with the thought, "The good thing is that I'm still alive."

This autumn, the story is being repeated, whereby researchers contend—seemingly with much more rationale—that this country has already hit the ground, that statistically we no longer exist, and that the first blast of the social explosion can be heard at any moment. Dr. Dragomir Pantic, the director of the Institute of Social Sciences in Belgrade, said last week, based on the results of public opinion polls, that Serbia faces an autumn of social discontent, while Dr. Stojan Stamenkovic, the deputy director of the Federal Institute of Planning, said the same thing in different words: "Scarcely a month or two separates us from general calamity."

Nationalism and Impoverishment

Based on the findings of a World Bank report, those whose job this is recently came up with a very precise appraisal, to the effect that by the end of the year the standard of living of the population of the third Yugoslavia will be identical to that of Mauritania. With a national per capita income of $500 (two years ago it was $2,920, and at the beginning of this year it was around $1,000), we will be living in poverty officially as well, thus vindicating those who say that we are part of Europe only in terms of geography, memories, yearnings, and desires. Based on all other criteria, especially standard of living and mutual showdowns between Yugoslav tribes, we have long since been part of Africa. And its worst part, at that. When a VREME journalist several months ago described the situation here by saying that "this sort of thing does not even happen in Burkina Faso," we had to run a correction in the very next issue from someone acquainted with conditions there, who wrote: "I lived in Burkina Faso for four years, I can reliably assure you that things are better there than here."

The epidemic of misery that is approaching is reflected eloquently in the fact that more than 10,000 Belgrade families are receiving social assistance, that many centers for social work could, without compunction, work in three shifts, that more and more people are showing up at soup kitchens. At one time, these kitchens existed only in Belgrade and Novi Sad; one was recently opened in Vranje, and Krusevac and Nis are next in line.

The original source of all these figures and indications of the Serbian hunger that is gradually spreading throughout Serbian stomachs can be found in nationalism, because as Dr. Slobodan Inic notes, no one and nothing actually impoverishes people like nationalism does. Regarded even in the short run, Dr. Inic says, we are all dead, disgraced, and hungry. If one does not die in the nationalist war, then one is most likely to starve to death in newly emerged national or quasinational states.

"Right now, regardless of how many good things someone has done, there are few people who will live well. Several generations will work their entire lives to pay off the costs of the war, to settle the debts, to create the elementary conditions for the lives of their children. Nationalism is a general form of human misfortune. Thus far, we have been able to see how nationalism claims human lives on a mass scale. From now on, we will confront poverty as the peacetime consequence of nationalism," says Dr. Inic.

The majority of researchers find reasons to predict a radicalization of the masses and possible outpourings of anger, which would be almost impossible to control in the fall, in certain recent public opinion polls. Dr. Dragomir Pantic contends that many years of polling have shown that citizens are generally unerring predictors of economic trends, sometimes much better than economic experts. The man on the street, he says, knows best of all how much more he can stand and what sort of reserves he has, and the majority of them say that with great effort they can hold on only until the end of this year. After that, social revolt is probably inevitable.

Consumed Reserves

According to studies by the Institute for Social Sciences conducted in March of this year, as much as 94 percent of the population mentioned poverty, the rise in prices, and inflation as the biggest problem facing the country right now. Only 3 percent of the population was satisfied with its economic situation at that time. Previously, even during times of major crises, at least one-fourth of the population was satisfied with its economic situation, and it can rightly be said, Dr. Pantic emphasizes, that such an incredibly low percentage of people who say that they are satisfied has never been recorded anywhere in the world in a similar study. The economic situation in Serbia has worsened drastically since March, so that it is logical to say that dissatisfaction (or to phrase it better: despair) is even worse than it was several months ago, due to the rising tide of poverty. It is interesting here that the respondents in this study were allowed to choose and mention only three problems that worried them most, and that despite the widespread prejudice and unprecedented propaganda by the domestic media, the national question and the war lagged far behind economic problems.

"When the results of this study are compared with others concerning the decline in popularity of all political parties, and especially of political leaders, it is easy to conclude that the citizens' patience is running thin, that the social fuse is burning down, that general discontent is growing continuously, and that Serbia is on the verge of a genuine social explosion with unforeseeable consequences," says Dr. Pantic. "The majority of the usual social buffers are simply no longer operating. One of them—traditional family solidarity—no longer works. It has been a bad year, and the village will not be in a position to help. Even if there had been a good harvest, there is no gasoline for going to the country and bringing back whatever is available. The number of refugees that must be fed is also growing larger all the time. The safety valve of the gray economy that was always available in the past has also run out, and the sanctions will only finish it off even more quickly. The last reserves that people were saving in their home stockpiles are gradually disappearing, and it is almost impossible to replace them. The number of Belgrade residents is growing continuously, but it is very indicative that in recent months there has also been a continuous decline in the consumption of bread, which is a completely new phenomenon. The fourth important social buffer is also gradually losing strength—the political events that have thus far stifled the bread issue and, through skillful propaganda and manipulation by the ruling strata, have imposed themselves as the most important issues for survival."

Besides all this, Dr. Pantic also mentions the little-known fact from June of this year that 43 percent of the population, faced with economic despair, is ready to accept all the conditions dictated by the world community in order to have the sanctions lifted. Those who continue to wear out stories about national dignity and pride, calling Serbs a "divine nation" and every day redeclaring war on Bush and Genscher, will certainly be surprised by that information, as well as by the fact that only 39 percent of those questioned were willing to continue enduring the sanctions, refusing to accept all the conditions for their lifting (18 percent do not have a definite opinion on the issue).

Unlike Dr. Dragomir Pantic, some analysts of local economic and political conditions do not believe that a social explosion will inevitably occur that quickly, despite the obvious proof that the social endurance of the majority of the population is running out. As an example, they cite the atmosphere in gas lines where people patiently wait up to several hours and for the most part curse those who are ahead of them in these senseless lines, those who would break in line, and even more so those lucky ones who do not even have to stand in line for hours on end. It is rare in these lines for anyone to curse and accuse those who were most responsible for the imposition of the sanctions. As in other former socialist countries, the line is gradually becoming the model for society, in which people feel equally bad and at the same time, seeing no opportunity to resist this situation, channel their frustration into hopelessness, or begin to despise each other.

"There is a certain logic to these considerations, because we are already living in an order and society of 'abnormal normality,' but the boiling point of our people is clearly incomparably lower than in former Eastern European countries," says Dr. Pantic. "We should not forget that we actually lived under incomparably better conditions, that our people are not used to shortages and lines, and that they certainly will not put up with the present-day humiliations forever by withdrawing into resignation. The policy of directing blame for the sanctions at someone else is of short duration and its effects will disappear quickly. Social explosions are sometimes possible even for very banal reasons."

End of the Story

Dr. Bosko Kovacevic, the director of the Open University of Subotica, also predicts that this cannot go on for much longer, but he tends to believe that the social time bomb that has long since been set will go off in the spring at the earliest. Dr. Kovacevic reminds us that the powerful mechanisms of a parallel economy have been developing over the past 10 years, an economy that is outside the domain of the official state and of all controls. Even a cursory look at the composition of the current government, he emphasizes, is indicative of attempts by those who have obtained significant capital in this way to legitimize all of this. At present, many others are trying to escape misery in this semilegal way, but most of the roads are blocked, so that their own recourse is direct robbery, which the state is usually not in a position to sanction.

"Those who have acquired enormous amounts of money overnight will endeavor to gradually capture political

power as well, and this life under sanctions actually suits them quite well," says Dr. Bosko Kovacevic. "In this way, we will have a new political elite that has grown out of an economy that is not legal. But like the nationalistic illusions with which the people today are consciously being stuffed in order to divert attention from the mounting misery, this story too will be unable to last forever. Soon it will be impossible to turn over huge sums of money for nonexistent goods simply by using various paper transactions and mathematical gymnastics. Gradually all goods will disappear, especially food, and that could be the end of this story. The age of buying social peace is inexorably passing."

Otherwise, everyone with whom VREME spoke agrees that it is very hard to predict the form that uncontrolled outpourings of anger, caused by economic despair and misery, might take, and where this avalanche of discontent might stop. The current government would obviously be unable to survive full compliance with the demands of the international community and would rather continue—insofar as it is allowed to do so—to portray its position as defense of the Serbian national interest, which means that the population will have to languish and suffer even longer. In any event, the chances that we will extricate ourselves from this sort of system are incomparably worse than the likelihood that we will leave the solar system, and it is hard to believe that the present, arrogant authorities will even consider deciding to "sacrifice" themselves and withdraw in order to save the populace.

To save the people from the misery into which the nationalists are leading them, Dr. Inic says, it will be necessary to change all previous views and reject rabble-rousing and nationalistic leaders. Social and material misery, he adds, can sometimes provide an opportunity for freeing people not only from the nationalistic passions inside them, but also, most of all, from those who led them from war to impoverishment under that emblem. This is not only technically, but certainly also psychologically, the most difficult course, because it requires that many people rise up against their own many years of mistakes.

Besides an African standard of living, which has already become our reality, it is quite possible to expect that a solution to our misery will soon be sought in a Latin American self-service stampede similar to those seen in Argentina several years ago, when citizens left behind a wasteland, plundering everything that they found in their way. Apartment break-ins, clashes between gangs of looters, and hijacking have already become part of our everyday life, and it is obvious that black marketeering and corruption under the state's wing have never been greater than today. It appears, however, that the main trials have yet to come. More and more people will stand in line this fall for free meals at soup kitchens. Some historic analogies indicate that a wide variety of fires can be lit underneath caldrons such as these, and several days ago in BORBA Dr. Stojan Stamenkovic even noted, somewhat ironically, that if the sanctions are not lifted, then Vojislav Seselj should be elected prime minister and allowed to divide the misery into equal shares for all, thus forcibly preventing a rebellion against this situation.

If we take another look at the results of the March public opinion poll in Serbia, it is easy to conclude that such crazy options are not the least bit unrealistic. More than 65 percent of the Serbian population felt that the country would not be in this situation if the armed forces had taken things into their own hands at the very outset, arresting and sentencing traitors and imposing order. Such attitudes by an enormous part of the Serbian electorate, as Mr. Srbobran Brankovic of the Institute for Political Studies in Belgrade noted at the time, are not exactly the best guarantee that changes could go in the direction of peaceful and democratic transformation. Similar studies show that southeastern Serbia, for example, is probably unique in the world in terms of the predisposition of the electorate to manipulation and the acceptance of antidemocratic orientations.

What is completely clear in the unpredictable autumn that is approaching is that it will no longer occur to anyone, as in the past, to call the workers into the streets and incite them against "someone else." For the current Serbian Government, Rakovica has for years been an unscrewed bomb with which another national elite—or later, Ante Markovic and his federal government—was threatened on the eve of some important plenum. Amid threats—you will see what happens when Rakovica takes to the streets—the Serbian Government for years has acted as if it were the owner of that bomb and that, if necessary, it would decide on the moment of explosion. Before long, it is possible that this same bomb will explode in the hands of that very government even before it occurs to someone that perhaps it should be tossed at Prime Minister Panic. In that case, there would be no one left to shout, as before, "And now everyone go back to work."

Problems With Departing Party 'Renegades'

92BA1444C Belgrade POLITIKA in Serbo-Croatian 16 Sep 92 p 10

[Article by Branislav Radivojsa: "Party 'Renegades' in Multiparty Situation: Now It Is Easy To Be a 'Dissident'"]

[Text] Why party leaders are afraid of those who leave; greater "reputation" after leaving the party; they are leaving the ruling party, but also the opposition parties.

Party "dissidents" are incomparably better off in a multiparty situation than in the old "bolshevist" one. Now, anyone who wants to leave a party can do so, although every such attempt is hushed up by the party leadership, perhaps out of fear of an "epidemic." This is especially the case when a large number of members leaves at the same time. This is the reason, according to "dissidents" from the SPS [Socialist Party of Serbia] who recently went over to the social democrats, that the Main

Committee of the SPS tried to end discussion of their demands as quickly as possible. It was allegedly feared that discussion of the socialists' weaknesses would spread, and that the small group would end up taking others with them.

That is precisely what happened in the Democratic Party [DS]. According to deputy Mirko Petrovic, the DS was abandoned by half of the members of the Main and Executive Committee and by a majority of the opstina committees (reportedly 80 percent). All of these people are now in the Democratic Party of Serbia [DSS], and that is why Petrovic says that the "renegades" are not in the DSS, "but rather are those who stayed with Dragoljub Micunovic and Zoran Djindjic." The party split, in Petrovic's assessment, into "practice-oriented" and "liberal-bourgeois" currents, and the gatherings being held lately all across Serbia in the DSS organization show who separated from whom. "The Democratic Party is an empty shell, while we in the DSS are continuing the life of the organization," the deputy told us.

Democratic Breakup

One of the leaders of the new Social Democratic Party, Momcilo Trajkovic, talks about leaving the SPS without "hesitation." He says that one must bear in mind that the group of deputies that left the socialists did not go over to another party, but rather created a new one. Trajkovic says that they did not accept "the SPS turn in an ultraleftist direction." Thus, there is justification for asking who in fact abandoned the program positions, we or the SPS?

"There is a lack of understanding among a number of careerists in Kosovo, who are even attempting to improve their own position in the SPS by criticizing my actions," Trajkovic says when asked whether he is experiencing any difficulties because of his party "apostasy." But thus far, no one has challenged Trajkovic's post in the Serbian Assembly (chairman of the Committee for Kosovo).

Milan Svabic, the SPS deputy from Arandjelovac and also a recent member of the Social Democratic Party, says that he parted ways with the socialists "democratically and correctly." Why did the SPS try to free itself of this social democratic current as quickly as possible? "Because in the beginning there were 20 of us seeking radical changes in the party, but in the end seven of us left. The SPS leadership was afraid that we would be joined by a broader circle of people."

Svabic is also the director of Radio Arandjelovac and a former opstina president, and when he left the socialists he had a talk, on his own initiative, with the current president of the SO [expansion unknown] and the chairman of the opstina committee of the SPS. He asked them whether he, a "party renegade," was no longer considered a personnel option for the post of director. They responded, "Not a chance," and that was the end of that talk about "political suitability."

One of the first party renegades in multiparty Serbia of the 1990's was Dragan Jevtovic, the SPO [Serbian Renewal Movement] deputy from Kragujevac who is now a member of the Democratic Party. Jevtovic left "Vuk's party" back in June of last year, but he remained in the SPO parliamentary caucus until December, when he went over to the ranks of the democrats. Why did he change parties? "The SPO was pursuing a policy that was too harsh and that did not suit me, and that is why I, in search of a more moderate option, left for the democrats." Because of his inclination toward more moderate variants, Jevtovic has now remained loyal to the Micunovic current (he has not gone over to the DSS), and asked whether he experienced any problems as an SPO "renegade," he mentions only one gathering of democrats in Kragujevac. A group of Serbian Renewal Movement supporters "sabotaged" the work of the meeting because the "deserter" Jevtovic was involved in it.

Strong Condemnation From Leadership

Disagreement with the policy of the party leadership was the reason that Dragoslav Petrovic, also a deputy from Kragujevac, left the People's Party [NS] of Milan Paroski. NS leaders reacted to Petrovic's "dissidence" with strong condemnation, and in the meantime he has become a social democrat.

Still, the most vehement condemnation from former party "comrades" was experienced by Mahmut Memic, a former member of the Party of Democratic Action [SDA] and deputy from Novi Pazar (currently an independent deputy).

"I do not know who the dissident is. Time will tell whether it is I or they," Memic told us when we asked whether he feels like an SDA "renegade." "They excluded me, but I think that I interpret the party's program documents more accurately than the party leadership does. Because there is no mention anywhere in the documents about the need to threaten the territorial integrity of Serbia and Yugoslavia, which is what leading figures in Novi Pazar are talking about."

Otherwise, Mahmut Memic has joined the Peace Movement of Muslims and Serbs for Serbia, and he recently became the assistant minister for human rights in the FRY [Federal Republic of Yugoslavia] government. He is also one of those people whose opinions are seemingly more respected since he openly opposed the party to which he had belonged. To a greater or lesser extent, that is the attitude toward other "dissidents" as well in the new multiparty situation.

Council for Free Radio, TV Against Persecution

92BA1444D Belgrade POLITIKA in Serbo-Croatian 16 Sep 92 p 6

[Unattributed article: "Council for Free Radio-Television Serbia: Voice Raised Against Persecution"]

[Text] In an announcement yesterday, the Committee for Free Radio-Television Serbia raised its voice against the new incidents of persecution of journalists.

After the attempt to nationalize the POLITIKA publishing house and the series of small newspapers nationalized in the interior of Serbia, the authorities are returning to their favorite activity—according to the committee—persecuting individual journalists who work for state-controlled media.

The announcement said that once again the time has come for the well-known and respected journalists with Radio Belgrade, Svetlana Lukic, Slobodan Stupar, and Radeto Radovanovic, against whom disciplinary action has been set in motion. Ms. Lukic, Mr. Stupar, and Mr. Radovanovic are old victims of various RTS [Radio-Television Serbia] administrative teams, and have already been removed from the programs on Radio Belgrade that they directed with much success and public response. Apparently the success of these journalists' broadcasts was adequate warning to their editors, who are so obedient, although easily and often exchangeable and replaceable with more obedient and suitable ones, that it was time to remove them in order to keep the radio programs from being freer than their bosses, personified by Mr. Milorad Vucelic, saw fit.

"This time, the disciplinary courts of RTS are issuing new indictments in the middle of summer, and the trials, if they cannot be avoided in the fall, are being scheduled for hidden locations, far from the eyes and attention of the public, which is a clear indication that the former safety in arrogant self-will is gone. In the same spirit, judgment has already been passed on the accused in an underhanded fashion—for a year now, they have not had the right to work, they have received no wages whatsoever for four months now, and together with other colleagues from radio and television, they serve as an example to undesirables," according to this committee.

Considering this farce, with disciplinary action as a clear attempt to persecute journalists with a political background and as part of the authorities' preparations for the upcoming elections by disciplining insufficiently obedient media, the Committee for Free Radio-Television Serbia calls on the public to oppose this action by the authorities, the aim of which is to stifle freedom of public speech, while various state and parastate institutions of the federal state, which are constantly talking about freedom of the press, if they believe the words of Mr. Milan Panic on liberating the media, are taking up defense of the persecuted radio and television journalists.

Kosovo

Rector States Pristina University Open to All

LD0110223992 Belgrade TANJUG in English 1950 GMT 1 Oct 92

[Text] Pristina, October 1 (TANJUG)—The Pristina University rector said on Thursday [1 October] that the university in the capital of the Serbian Province of Kosovo and Metohija, was open for studies to all citizens of Serbia and the Federal Republic of Yugoslavia and that there was no question of a special "Albanian University" being opened.

Pristina University is open to all, and therefore, to ethnic Albanians, said Papovic in an interview to TANJUG news agency at the start of the academic year.

Yugoslav Prime Minister Milan Panic said after the London Conference on Yugoslavia, that an Albanian University would be opened in Kosovo and Metohija where ethnic Albanians are the majority population.

An Albanian University can exist only in Albania, said Papovic, adding that Pristina University had a department for the study of the Albanian language, literature, culture and history of the ethnic Albanian national minority.

The problem lies in the concept, said Papovic, adding that Panic is always talking about an "Albanian University," while all are entitled to study at Pristina University.

Studies at Pristina University are conducted in the Serbian language, except in those departments devoted to the culture and literature of national minorities, said Papovic.

The Albanian-language press said on Thursday that university-level classes in the Albanian-language had started and would be conducted on private premises. Preparations have been undertaken for the holding of classes at this "parallel university," but there are not sufficient books and teaching staff, who are engaged otherwise.

Ethnic Albanian pupils and students in Kosovo and Metohija are boycotting classes in schools and faculties because they do not accept the state (Serbian) curriculum.

Leaders of ethnic Albanian political parties in Kosovo and Metohija do not recognize this province as being Serbian, but demand their own sovereign state which they, as a national minority, are not entitled to.

Students To Start Classes in Private Buildings

AU0110191192 Tirana ATA in English 1122 GMT 1 Oct 92

[Text] Tirana, October 1 (ATA)—Beginning with October 1, this academic year too, the students and teachers of the University of Pristina will start classes in private buildings and not in schools which are occupied by the Serb police power, but they will never leave these centers to others. This was emphasized in the meeting of the deans of the University of Pristina. They, in the meeting, said all preparations are made for the new academic year. Efforts will be made with regard to the secondary and elementary schools of Kosovo, which the

Serb police power keeps closed for the Albanians, so that lessons start on October 5. The first thing is that it should be insisted that these school buildings be free, the educational cadres of the Republic of Kosovo underline.

Vojvodina

FUEN Reports Signs of 'Ethnic Cleansing'

LD3010234392 Budapest MTI in English 1849 GMT 28 Sep 92

[Text] Budapest, September 28 (MTI)—Signs of ethnic cleansing have been observed by a Federal Union of European Nationalities (FUEN) delegation in Serbia's Vojvodina Province.

Reporting on a visit to the region, while in transit in Hungary, FUEN President Karl Mitterdorfer and Treasurer Ernst Meyer said ethnic Hungarians in Vojvodina feel insecure because thousands of Serb refugees are settled in villages of mostly Hungarian inhabitants and jobs of Hungarian intellectuals, who fled the war, are being filled by Serbs.

The FUEN observers said this was unnecessary because the Serbs could be settled in other regions as well.

The democratic community of Vojvodina Hungarians, which invited the observers, has reconfirmed it wants to refrain from displaying opposition—nor has it any weapons—but it is ready for negotiations.

According to the observers, ethnic cleansing, condemned throughout Europe, may be prevented by making it public and alerting the international community.

The FUEN delegation will compile a report on its experience in Vojvodina to inform international organisations.

FUEN, based in Flensburg, Germany, and comprising 60 nationalities from 19 European countries, aims at helping national groups to assert their interests. It also presses for Europe to adopt a convention on minorities.

In the near future, FUEN observers are to visit Romania and Slovakia to examine the conditions of ethnic Hungarians there.